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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. PASTOR of Arizona).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,

March 5, 2009.

I hereby appoint the Honorable ED PASTOR to act as Speaker pro tempore on this day.

NANCY PELOSI,

Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

As people of faith, Lord God Eternal, we believe that Your Spirit fills the whole world. Moved by this faith, we try to discern authentic signs of Your presence and purpose in the events, the needs, and the longings which we share with other people all the time.

Lord, thank You for faith, because faith throws a new light on all things and makes known the full ideal to which You have called each Member of Congress and each citizen of this great Nation.

Guide minds into great collaboration and move hearts toward true solutions which transcend ideology and reach the fullest depths of human potential, bringing us into a greater union with others and with You. Then, as Your free children, we will conquer the problems which confront us, and give You glory, now and forever.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from California (Ms. LORETTA SANCHEZ) come forward and lead the House in the Pledge of Allegiance.

Ms. LORETTA SANCHEZ of California led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 520. An act to designate the United States courthouse under construction at 327 South Church Street, Rockford, Illinois, as the "Stanley J. Roszkowski United States Courthouse".

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 10 requests for 1-minute speeches on each side of the aisle.

TAPPING INTO THE POTENTIAL OF FUTURE GENERATIONS OF WOMEN

(Ms. LORETTA SANCHEZ of California asked and was given permission to address the House for 1 minute.)

Ms. LORETTA SANCHEZ of California. Mr. Speaker, in 1987 the United States Congress officially designated March as Women's History Month in an effort to not only increase public knowledge of women's history, but also to raise the public consciousness of the

impact that women have on our country.

Over the last century, we have made considerable progress. However, our work to ensure that women have equal rights and protection from assault and abuse are not over. Today, women continue to bring home smaller paychecks than men do for doing the same job. However, I am proud that this Congress passed and President Obama recently signed the Lilly Ledbetter Fair Pay Act of 2009 to help end pay discrimination against women.

Currently, there are an estimated 198,000 women serving on active duty in our military, and still we are unable to provide them with a safe environment, free of sexual assault and violence. In addition, approximately 800,000 individuals are trafficked across international borders each year, and, sadly, 80 percent of those are women and girls.

While we recognize the progress we have made, we must not be complacent, but instead work together to tap into the potential of future generations of women.

LESS IS MORE

(Mr. POE of Texas asked and was given permission to address the House for 1 minute.)

Mr. POE of Texas. Mr. Speaker, under the new tax proposal, those that make over \$250,000 are going to have a massive tax increase so the government can redistribute that money to special groups. Those in this high tax group already pay most of the taxes and create most of the new jobs in small business.

But we have got a problem. These same folks are considering cutting back their work productivity so they make less than \$250,000. According to ABC News, some individuals who own business also are going to downsize because of the tax increase.

A lawyer in Louisiana says, "Why kill yourself working if it is given

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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away to people who aren't working as hard?"

A dentist in Colorado said she is going to work fewer days, see fewer patients and eliminate employees so she can be underneath the tax increase. She says, "If I am going to be working just to give it back to the government, it is demoralizing."

Mr. Speaker, this cannot be. What are we to do if all these small business owners start following this downsizing plan, lay off employees and don't send more money to Washington? Don't they know they can't do that? Don't they know that they need to pay more taxes to take care of the rest of us?

Mr. Speaker, all citizens pay enough income tax already. It is absurd to raise taxes on anybody during this recession.

And that's just the way it is.

WORKING TOWARDS COMPREHENSIVE IMMIGRATION REFORM

(Mr. BACA asked and was given permission to address the House for 1 minute.)

Mr. BACA. Mr. Speaker, President Obama has said "our patchwork heritage is a strength, not a weakness." Yet there are those that are full of hate and anti-immigration rhetoric that cannot see the rich contributions immigrants have made to this country.

Racial profiling in my district alone is alarming and the controversy of enforcement practices must be investigated. We will not stand for enforcement-only approaches that create a mistrust of law enforcement amongst the public. We need comprehensive immigration reform that addresses the real issues, respects families and includes enforcement and security of our Nation.

Congress needs to be proactive on this issue, instead of reactive to the negative few who preach enforcement-only failed approaches.

I urge my colleagues with the help of the CHC to have President Obama and Speaker PELOSI work towards comprehensive immigration reform.

HONORING THE LIFE AND SERVICE OF FRED PIERNO, JR.

(Mr. ROONEY asked and was given permission to address the House for 1 minute.)

Mr. ROONEY. Mr. Speaker, I rise today to honor the life and service of Martin County Fire Medic Fred Pierno, Jr. Freddy is the only member of the Martin County Fire Rescue to ever die in the line of duty. He lived a life of service to his community and country. He was a Navy veteran during the Vietnam War and served for 20 years with Martin County Fire Rescue. His fellow firefighters enjoyed working by his side and he always put others first.

It was in 2006 while trying to save the life of a patient that he contracted hepatitis C. Firefighters and medics like Freddy put their lives on the line day

in and day out and face dangers that can't always be seen. Freddy is only the 13th firefighter in the United States to die in the line of duty from this virus.

We honor Fred Pierno's sacrifice to the people of Martin County. He will truly be missed.

FIXING THE BROKEN HEALTH CARE SYSTEM

(Mrs. CHRISTENSEN asked and was given permission to address the House for 1 minute.)

Mrs. CHRISTENSEN. Today, the President will convene a health summit as he continues to engage experts, Members of Congress, health providers and consumer advocates in what is one of many discussions on how to best fix our broken health care system and ensure access to quality health care for every American more efficiently and effectively.

We have already made a great down payment with the expanded SCHIP, the Medicaid and other provisions in the American Recovery and Reinvestment Act. We in this body continue to work with our President through our omnibus bill; and as we prepare to develop a 2010 budget, we do so in a holistic way, also addressing the social determinants of our health, which is critical in order for us to meet our obligation to close the gaps in health that cause premature preventive illness and death in the poor and people of color and those in our rural areas.

We must remember that health care is a right.

PUTTING COMPETITIVENESS AND GROWTH FIRST

(Mrs. BLACKBURN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BLACKBURN. Mr. Speaker, you know, it is so interesting to go home on the weekends and visit with all of my constituents. This past weekend, some of them said, I feel like everything that I am hearing from the leadership in D.C. is focused on fear and envy to push their agenda.

The President's budget is just big government reinvented. Here it is, the era of enormous big government. It expands government spending past the traditional no more than 20 percent of GDP that we have always expected, and it is going into the stratosphere. Programs are piled on top of each other to give us what is now a \$3.55 trillion budget that has come from this Democrat administration. And the deficits? \$1 trillion as far as the eye can see. And this is on top of the stimulus, the omnibus, the "Housing-us" bills, that are just ripping through this Chamber at speeds that would make my NASCAR drivers dizzy.

You know, some of my constituents suspect that the leadership in this House actually is choosing to confuse

the issues. They know you cannot spend your way to recovery.

GARDEN STREET LOFTS IN HOBOKEN, NEW JERSEY, HONORED BY SUSTAINABLE BUILDING INDUSTRY COUNCIL

(Mr. SIRES asked and was given permission to address the House for 1 minute.)

Mr. SIRES. Mr. Speaker, last week, the Sustainable Building Industry Council honored the Garden Street Lofts in Hoboken, New Jersey, at their Beyond Green High Performance Buildings Awards. I am proud of the accomplishments of MAST Construction and all those involved in the project. I am pleased that their important work has been recognized.

The Garden Street Lofts project, completed last November, successfully converted an 80-year-old warehouse into a "Leadership in Energy and Environmental Design" silver-certified building with 30 loft-style residences and over 7,000 square feet of retail space. The building also is located within reach of multiple forms of public transportation, further increasing its appeal and environmental benefits.

I commend this sustainable project, and I thank the Sustainable Building Industry Council for including it in its Beyond Green Awards program. MAST Construction continues to provide the 13th Congressional District of New Jersey with exceptional facilities. It is my hope that the Garden Street Lofts will serve as a successful example for other developers.

ENDING NO-BID CONTRACTS IN THE FEDERAL PROCUREMENT PROCESS

(Mr. FLAKE asked and was given permission to address the House for 1 minute.)

Mr. FLAKE. Mr. Speaker, President Obama announced an initiative yesterday to fix the Federal procurement process. He wants to make sure that there are no more no-bid contracts.

Now, this is a welcome move. But if the President really wants to get serious about ending no-bid contracts, he should veto the omnibus spending bill we are just about to send him. It contains thousands of no-bid contracts for private companies. If the President can't see fit to veto the omnibus, he should at a minimum commit to veto future legislation that contains no-bid contracts.

Again, a congressional earmark for a private company is nothing more than a no-bid contract. What is worse, many of these congressionally directed no-bid contracts go to companies whose executives and their lobbyists turn around and make campaign contributions to those who secured the earmark or no-bid contract.

This morning we will be voting on a privileged resolution to investigate earmarks and campaign contributions

related to the PMA Group, an organization being investigated right now by the Department of Justice. I urge my colleagues to support this nonpartisan resolution.

HONORING SUSAN AXELROD AND CURE

(Mr. PERLMUTTER asked and was given permission to address the House for 1 minute.)

Mr. PERLMUTTER. Mr. Speaker, it is my honor today to rise to recognize two extraordinary people, Susan Axelrod and her daughter Lauren, for their work on issues concerning epilepsy. One of the very first meetings I had in the Congress was with Susan Axelrod, who came to visit me because she knew that I have a daughter with epilepsy. As parents of kids with chronic illnesses, and many people have family members who have chronic illnesses, it is a life-consuming endeavor to try to find a cure.

Susan founded the nonprofit organization called CURE, Citizens United for Research in Epilepsy, to educate the public, encourage research and raise funds for epilepsy. Susan's research through CURE revealed a new drug treatment which has stopped Lauren's seizures for the last 9 years.

In the decade since its inception, CURE has raised millions of dollars and has made great strides in the scientific community to develop research projects which one day may find a cure for other people with epilepsy like my daughter Alexis. Susan also assisted me with a bill to help returning service men and women who have suffered brain injuries and now are having seizures. I applaud her commitment to increasing funding for epilepsy research, and I honor her today.

I will submit for the CONGRESSIONAL RECORD an article about Susan and Lauren's commitment to curing epilepsy published in Parade Magazine dated February 15, 2009, entitled "I Must Save My Child."

□ 1015

PROTECT THE SECRET BALLOT

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, I am grateful to be an original cosponsor of the Secret Ballot Protection Act, a piece of commonsense legislation introduced last week. This bill preserves the right of every worker to a secret ballot election when deciding whether or not to join a union.

We can all agree that intimidation and coercion have no place in our working environment, and should not be a part of a worker's decision to join or not join a union. After all, Americans have the right to elect their representatives here in Washington by secret ballot. Why should the decision to

elect representation in the workplace be any different?

The Secret Ballot Protection Act would guarantee the fundamental right of privacy, a vital part of our Nation's founding principles. It would protect American workers and American industry from the powerful special interests here in Washington. It would promote jobs in America.

In conclusion, God bless our troops, and we will never forget September the 11th.

HAVE FAITH IN AMERICA'S FUTURE

(Mr. YARMUTH asked and was given permission to address the House for 1 minute.)

Mr. YARMUTH. Mr. Speaker, yesterday, in this Chamber, Prime Minister Gordon Brown talked to us about having faith in the future, and that, in fact, is what America's always been about, having faith that the future will be better for all of us. But it's impossible for the American people to have faith in the future, faith in their future when the next illness or accident could drive them into bankruptcy or, in fact, could end their lives because they have insufficient access to quality, affordable health care.

This Congress and this administration is committed to changing that. We are committed to making sure that health care is a right that every American can exercise. And we have already taken the first steps in this Congress, by expanding SCHIP, by providing assistance to the States to provide more Medicaid, and finally, by developing the infrastructure, by investing in that health care infrastructure that will help make a system that can provide quality, accessible health care to everyone. That's what restoring faith in the future means to this Congress.

And this afternoon, when President Obama convenes his first health care summit, we will begin to take the steps, as a Nation, to develop the kind of health care system we all can be proud of and that will bring faith in the future to every American.

HEALTH CARE REFORM

(Mr. TIM MURPHY of Pennsylvania asked and was given permission to address the House for 1 minute.)

Mr. TIM MURPHY of Pennsylvania. Mr. Speaker, today the White House convenes a forum on health care, and we do need health care reform. We have the best health care available in the world, but it's just too expensive for too many. Why?

A brand new report from the New England Health Care Institute stated that in our \$2.3 trillion health care system, a full 30 percent of total spending could be eliminated without reducing health care quality. This is a savings of \$800 billion; savings that comes from improving the quality of care, savings from eliminating misuse of drugs and

less effective treatments. And we can find even more savings from stopping Medicare and Medicaid fraud.

We can make quality health care affordable and accessible. Let us work together for true reform. Let's fix it and make it better, not finance a broken system. Reform is the best medicine.

HEALTH CARE REFORM

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, I was pleased to see my colleague from Pennsylvania, Mr. MURPHY, who serves on the Energy and Commerce Committee with me, to talk about the need for health care reform and the health summit that President Obama's calling today. It is a bipartisan summit. It is an effort to reach out to both parties to come up with solutions for health care reform.

And as Mr. MURPHY said, one of the biggest concerns is cost containment. We know that there's a lot of money in the system that we think can be saved and used to make health care available to more people. Basically, if you listen to President Obama, he said we need to expand coverage. We want to have universal coverage. Everyone should have health insurance.

But one way of achieving that and paying for it is to deal with the costs, because we know that they're out of hand. And increasingly, employers can't afford health insurance because of the costs. Individuals that go out and try to buy health insurance in the individual market find it hard to afford the cost. And also, we have existing government programs like Medicare, Medicaid and SCHIP that it's hard for them to continue to function because of the costs of those programs.

We need reform now on a bipartisan basis.

THE RIGHT TO KEEP AND BEAR ARMS IS PART OF AMERICA'S HERITAGE

(Mr. REHBERG asked and was given permission to address the House for 1 minute.)

Mr. REHBERG. Mr. Speaker, from hunting to protecting our families and property, the right to keep and bear arms is a part of America's heritage.

This weekend, as I traveled around Montana, I heard concern in my constituents' voices as we cussed and discussed House Resolution 45. This bill criminalizes gun ownership as we know it. It requires gun owners to register with the Federal Government after completing a list of government certifications. Gun owners and the firearms they own would be tracked in a government database, a database that would make eventual collection of guns by government agents an easy task. This is the first step, but it's one we must not take.

Gun owners are not criminals. They are patriots.

I will oppose this measure and others like it as an affront to our liberty and the Constitution.

PROCUREMENT PROCESS GONE AMOK

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, in today's Congressional Quarterly, it says the Presidential helicopter program is now \$6.5 billion over budget. This is double the Pentagon's original estimate. Even President Obama said this was "an example of the procurement process gone amok."

It seems that the Pentagon cannot complete any major program without huge cost overruns. Almost on every Federal program we are given low-ball estimates of the cost on the front end, and then costs just explode. This has nothing to do with the current President, but no President needs 28 helicopters.

The current estimate is that these helicopters will cost at least \$13 billion. But the way the Pentagon is operating these days, these helicopters will end up costing several billion more unless the number is cut way back to something a little less ridiculous.

It makes you wonder, Mr. Speaker, if there are any fiscal conservatives in the Defense Department.

THE HYPOCRISY OF THE CURRENT ADMINISTRATION

(Mr. SHIMKUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, I come to the floor today to talk about the hypocrisy of this current administration. First they say they want to cut the deficit in half by their first term, but then they add, in 6 weeks, \$1.5 trillion to the national debt.

They attack earmarks as being bad, but they're soon to sign an omnibus bill that has 9,000 earmarks in it.

And last but not least, a promised tax cut to 95 percent of all Americans, while in their budget planning to raise \$646 billion by a carbon tax. What does that do?

This is Peabody Mine Number 10. The last clean air bill we passed, 1,000 mine workers lost their job. A carbon tax kills the fossil fuel industry in this country, raises the cost of energy, will destroy manufacturing. As the Detroit News said in its editorial yesterday, it's a job destroyer for the State of Michigan. Be aware of the carbon tax.

NO TAX HIKES

(Mr. SAM JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, this administration's new budget torpedoed core values we Americans hold dear: hard work, fairness and the freedom to thrive.

Sadly, the new budget will raise taxes on anyone who works hard, plays by the rules and pays taxes. It will raise taxes on anyone who drives a car, turns on their lights or saves. It will raise taxes on people who donate to charity or own a home. It will raise taxes on anyone who plans, hopes or dreams of becoming successful.

That's just wrong. We must not raise taxes, but save America during this severe recession.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 1106, HELPING FAMILIES SAVE THEIR HOMES ACT OF 2009

Mr. HASTINGS of Florida. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 205 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 205

Resolved, That during further consideration of the bill (H.R. 1106) to prevent mortgage foreclosures and enhance mortgage credit availability, pursuant to House Resolution 190, amendment number 1 printed in House Report 111-21 shall be considered as perfected by the modification printed in the report of the Committee on Rules accompanying this resolution.

The SPEAKER pro tempore. The gentleman from Florida is recognized for 1 hour.

Mr. HASTINGS of Florida. For the purpose of debate only, Mr. Speaker, I yield the customary 30 minutes to the gentlelady, my friend from North Carolina, Dr. FOXX. All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Mr. HASTINGS of Florida. I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and to insert extraneous materials into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H. Res. 205 provides for further consideration of H.R. 1106, the Helping Families Save Their Homes Act of 2009. As I've previously stated, the Helping Families Save Their Homes Act takes a crucial step toward reviving our housing market, stemming the tide of home foreclosures, and putting our Nation's economy back on track.

This bill provides for a safe harbor from liability to mortgage servicers who engage in loan modifications to remove any impediments that may pre-

vent them from partaking in voluntary modifications. It also makes much-needed changes to the HOPE for Homeowners Program in order to encourage more lenders to participate and ensure that the program meets its intended objective.

The bill further makes permanent the temporary increase in deposit insurance coverage for both the FDIC Deposit Insurance Fund and the National Credit Union Administration Share Insurance Fund, in order to both enhance the liquidity and stability of our banking institutions, and help restore confidence in our financial system.

The underlying legislation, Mr. Speaker, also makes several long overdue changes to our bankruptcy code. Now, some have understandably questioned these provisions which would allow bankruptcy judges the ability to modify loans on a homeowner's principal residence if the homeowner meets specified stringent criteria. It has been argued that allowing judicial modifications will lead to a sudden slew of bankruptcy filings, will cause massive losses to financial institutions, and will increase the cost of borrowing for other homeowners. However, this will simply not be the case.

Bankruptcy will remain, as it always has been, a last resort. And modifications will be at the individual discretion of a bankruptcy judge who will determine if a borrower has acted responsibly and if a claim has any merit.

Most importantly, allowing judicial modifications will maximize, not lessen, the value of troubled mortgages for lenders, and will avoid the continuous decline in property values in neighborhoods with foreclosed properties.

Additionally, this rule provides for a revised manager's amendment that will make the bankruptcy provision and this legislation even more effective and efficient. The revised manager's amendment will allow a court to consider lowering the interest rate to reduce a homeowner's mortgage payments in lieu of reducing the mortgage principal.

□ 1030

It also gives mortgage holders a greater proportion of a home's appreciation should the home be sold during the bankruptcy plan, and it makes changes to the good faith requirement, further ensuring that judicial modifications are only used when borrowers have exhausted all other options.

The bankruptcy provisions in this legislation with the changes proposed in the revised manager's amendment will help thousands of American families stay in their homes. We must remember that bankruptcy is no walk in the park. It is a strict, demanding, and intrusive process in which every aspect of one's financial life is scrutinized and controlled, and that says nothing of the negative stigma and of the long-lasting effects of filing for bankruptcy.

In addition, to be eligible for such loan modifications, families must show

that they will be able to repay their debts and that they have tried to obtain a loan modification outside of bankruptcy, but let's not kid ourselves. Under current law, similar loan modifications are available for every other type of secured loan except for loans securing primary residences.

If a millionaire or a billionaire can modify a loan on a private jet and if a housing speculator can modify loans on countless failed investment properties, why can't we allow struggling families to modify their mortgages so that they're not put out on the streets?

It's easy to stand up here and claim that this bill is simply a bailout for reckless homeowners; but as our Nation creeps deeper into this financial crisis, it is painfully clear that our housing market is having a rippling effect on the economy. Families who have acted responsibly and who have paid every single payment on time are finding themselves, in one way or another, swept up by the foreclosure crisis, oftentimes through no fault of their own.

As foreclosures rise, surrounding home prices fall, funding for vital public services goes down, financial institutions are saddled with losses, access to credit shrinks, and our economy grinds to a halt. This legislation will put a stop to this deadly spiral. It will rebuild this economy from the bottom up, for our Nation simply cannot recover if we here in Congress turn our backs on the millions of Americans struggling to care for their families and to stay in their homes.

Mr. Speaker, this bill may not help every family. It will, however, help responsible individuals stay in their homes, and it will mitigate the destructive impact of this housing crisis by clearing legal impediments to loan modifications, by improving the HOPE for Homeowners Program, by ensuring confidence in our banking system, and by finally making commonsense reforms to our bankruptcy laws.

I reserve the balance of my time, Mr. Speaker.

Ms. FOXX. Mr. Speaker, I have great respect for my colleague, and I wish that just his saying something would make it so.

Unfortunately, my distinguished colleague who has a distinguished service not only in Congress but also as a judge, you simply cannot say something and make it so. This is not going to stop the problem that we have in the housing market. This is actually going to make it worse. Let me make a couple of comments about why that is the case.

We have talked over and over about the fact that this is going to drive up the cost of loans in the future and about why it's going to hurt people who have played by the rules.

You know, House Republicans support responsible homeowners who live within their means, who make honest representations on their loan applications, who pay their debts, and who

work hard to achieve the American dream. But that's not what this bill does. What this bill does is it rewards bad behavior. It extends the welfare program in this country, and it's going to make home mortgages in the future much, much more expensive.

Why is that the case?

As my colleague has said, in the past, home mortgages have been left out of the bankruptcy law because they then become higher in risk. That has held down interest rates. By putting these home mortgages into the bankruptcy law, it is going to make the interest rates higher in the future. Even Justice Stevens said that taking the principal home out of the bankruptcy law was to encourage the flow of capital into the home lending market, but now we're going to increase the risk to lenders, and this is going to drive up the cost of interest rates.

As for the comments about millionaires and billionaires, that's a straw dog, just a straw dog, and we don't need to be putting those things out.

This rule and the underlying bill are opposed by both the Heritage Foundation and the New York Times. That doesn't happen very often, Mr. Speaker. It very rarely happens that those two entities oppose something, but they do.

I want to say something about the fact that we were here a week ago today to deal with this rule, and we thought we were going to be voting on the underlying bill, so it was pulled off because it was going to be made better, but you know, this is just the bait-and-switch game. I want to say to my colleagues that this underlying bill was not made better. This rule was not made better as a result of this week that has passed by. In fact, it may have been made worse.

I challenge my colleagues who have hesitation about this bill and whether to vote for it to read the bill, to read the rule. See if you think that this has actually made it better.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased at this time to yield 2 minutes to the gentlewoman from California, a member of the Committee on the Judiciary, Ms. ZOE LOFGREN.

Ms. ZOE LOFGREN of California. Mr. Speaker, I would like to yield to my colleague from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. Mr. Speaker, I rise to engage in a colloquy with my distinguished colleague from California (Ms. ZOE LOFGREN) regarding the Helping Families Save Their Homes Act of 2009.

Ms. ZOE LOFGREN of California. I am happy to engage in a colloquy.

Mrs. TAUSCHER. Thank you.

Mr. Speaker, I would like to take this opportunity to thank Ms. LOFGREN, Chairman CONYERS, Speaker PELOSI, Majority Leader HOYER, and Majority Whip CLYBURN for the collaborative and constructive discussions

we have had during the past several weeks.

Our good-faith negotiations have resulted in positive changes to this bill by increasing uniformity in the Chapter 13 bankruptcy process and by making qualified loan modifications the centerpiece of our efforts to keep families in their homes.

In addition to other changes making the bill stronger, the legislation will ensure that a bankruptcy judge considers whether a borrower has been offered a qualifying loan modification before seeking a judicial modification. This is consistent with President Obama's plan. Additionally, changes were made to ensure that judges use FHA appraisal guidelines in determining the fair market value of property. This will streamline and simplify the valuation process.

I am also pleased that we have included language to prevent wealthy people who can afford their loans from filing bankruptcy just to capitalize on falling real estate prices and to get a better deal when there are so many more who are truly in need.

This bill is not perfect, but the process has worked better than anyone expected. Over the last couple of weeks, we have worked together to make improvements that will ensure that bankruptcy is an option of last resort.

Accessible and sustainable loan modifications are essential to getting millions of families the tools they need to keep their homes. Along with President Obama's Making Home Affordable Plan, this bill will provide these tools, and it will offer a comprehensive plan to address our Nation's foreclosure crisis.

Ms. ZOE LOFGREN of California. To my friend, I want to also thank you for the good-faith discussions and negotiations we've had. I appreciate your support for this bill and your work toward a sustainable loan modification program.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. HASTINGS of Florida. I yield the gentlewoman an additional 2 minutes.

Ms. ZOE LOFGREN of California. I agree with you that loan modifications are a key component to a comprehensive plan.

I thank my friend, Mrs. TAUSCHER, for her thoughtful work on this matter. It has made this bill a better bill and one that, I think, we can all be proud of. I appreciate your effort.

I would yield further.

Mrs. TAUSCHER. Thank you. I thank my good friend from California (Ms. ZOE LOFGREN) for her very intensive work to make this a better bill, and I appreciate the changes that have been made to this bill.

I urge my colleagues to support the significant engagement process to get a better bill by voting for the rule, and I will tell my colleagues that this is a better bill, that this is something that will help all Americans by making sure that the bankruptcy process through Chapter 13 is available to those who need it, but at the same time, that it is

the option of last resort. Most significantly, it puts the President's loan modification plan as the centerpiece of opportunities to keep millions of Americans in their homes. I urge my colleagues to vote for the bill.

Ms. ZOE LOFGREN of California. Thank you.

I would just note further the participation of others in Congress who worked to make this a better bill: our colleague DENNIS CARDOZA, who is part of the second-degree Lofgren-Tauscher-Cardoza amendment, as well as Congressman BRAD MILLER, Congressman JIM MARSHALL, and of course the chairman of the committee, Congressman JOHN CONYERS. Thanks to all who worked so hard on this.

Ms. FOXX. Mr. Speaker, I now yield 4 minutes to the gentleman from Wisconsin, my distinguished colleague, Mr. SENSENBRENNER.

Mr. SENSENBRENNER. Mr. Speaker, I rise in opposition to the rule and to the underlying bill.

What we have just heard is that the amendments that will modify the Conyers manager's amendment are going to solve the problems and concerns that were raised last week. This is not the case, and the modification that this rule makes in order still makes this modification of the bankruptcy law smoke and mirrors. The devil is really in the details, and let me point out three instances where the details make this amendment a sham.

First of all, it gives a defaulting homeowner two bites at the apple. Far from making bankruptcy a last resort, it allows it to guarantee abuse of the system. If the homeowner obtains a mortgage modification that is compliant with the President's terms, he still can file for bankruptcy, but the lender is bound by the modifications under the President's program should it be enacted into law. So the borrower and the bankruptcy attorneys can shop around and can find out which is the better deal for the homeowner. That's something that we deny the lender the opportunity to do, and this is a guarantee of abuse of the system.

Secondly, this amendment encourages happy-go-lucky borrowers. Nothing happens to a borrower who rejects the terms under the President's mortgage modification plan. The bankruptcy court can theoretically refuse to confirm a borrower's cramdown plan, but under the terms of the amendment, that will likely happen only when the lender is offered a modification anyhow.

What about borrowers who are within 30 days of a foreclosure sale? They don't even have to contact their lenders under this amendment about voluntary modifications, so none of this amendment's modifications and accommodations apply. The new manager's amendment does nothing to change this exception that swallows the bill, and as a result, cagey borrowers and their attorneys can game the system by simply waiting until the borrowers

are within 30 days of a foreclosure sale to file for bankruptcy.

Finally, this bill allows free money to be offered. The amendment provides an alternative to cram down a principal, but astoundingly, the alternative is free money. If a judge doesn't want to give a cramdown, he can just rewrite the mortgage as a no-interest loan over the full terms of a new 30-year, fixed-rate mortgage. Lenders can kiss their principal goodbye because the amendment seeks to resuscitate the earlier agreement to let lenders claw back and cram down principal if the borrower sells the house after a cramdown.

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But the clawback is a sham. Once the borrower emerges from bankruptcy, the lender gets nothing back from the crammed-down principal, and since the point of the bill is to help the borrowers stay in the house during bankruptcy, sales aren't going to occur until after bankruptcy—when the lenders' clawback is worthless.

The bankruptcy law since 1898 has prohibited bankruptcy judges from rewriting the terms of mortgages that are placed on principal residences. There is a reason for that, and the reason is simple: it allows the mortgage industry to attract more capital to lend out to qualified borrowers at reasonable rates. If the capital isn't there, and the capital is not attracted, then what you will see is the cost of mortgages go up, whether it's in interest rates, points, fees or whatever.

It seems to me that Congress did the right thing during the depression in not changing this law. We should not change the law today.

Mr. HASTINGS of Florida. Mr. Speaker, I would advise the Chair and the gentlelady from North Carolina that I may have an additional speaker, but he or she has not arrived yet, and toward that end, I would reserve my time.

Ms. FOXX. Mr. Speaker, I thank my colleague. We do have several speakers, Mr. Speaker.

I would now like to recognize my colleague, the gentleman from New York, Mr. CHRIS LEE, for 2 minutes.

Mr. LEE of New York. I thank the gentlelady from North Carolina for yielding.

I rise today to oppose the rule and underlying "cramdown" bill, which will allow bankruptcy judges to arbitrarily rewrite the amount of principal owed on a home mortgage loan.

I recently received an e-mail from a constituent in Byron, New York, who said he lost \$50,000 on a previous home he had recently sold. He's a hard-working individual in my district who accepted that but ended his e-mail by asking, "Are we now going to be expected to pay for someone else's losses when I'm struggling to keep paying my own mortgage?"

I receive calls, faxes, e-mails like these every day from homeowners who work hard trying to make ends meet

only to be asked to help those who either have made poor decisions or who acted purely for personal gain by speculating on the market.

Yet in this bill, part of Congress' response is to change the Nation's bankruptcy laws and to allow judges arbitrarily to rewrite the amount of principal on mortgages. This will open up a Pandora's box on government intervention and will have the exact opposite effect than what is needed during these very tough economic times.

When I talked to our community banks and ask how they have been able to prevent foreclosures, they point to a combination of sound lending practices and access to credit. It is in the banks' best interests to work with borrowers to help them stay in the homes. And, in fact, they are doing that now. Allowing bankruptcy judges to intervene would add additional risk to the market. It will help push that more mortgages won't be repaid and forcing lenders to tighten credit and raise borrowing costs for all homeowners at the worst possible time.

I ask my colleagues to vote down this rule so we can keep this Pandora's box closed and get back to work on truly sensible practices that will help keep the dream of homeownership within reach of middle-class families.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 2 minutes to Ms. LOFGREN.

Ms. ZOE LOFGREN of California. Mr. Speaker, I just wanted to say a word about the manager's amendment to make sure that everyone is clear.

The second-degree amendment is going to make sure that fairness is restored to the bankruptcy laws to give needed relief to homeowners at a time when there is a truly historic crisis in the housing market.

The manager's amendment strengthens the good faith provisions of the bill to ensure that borrowers who can't afford to pay their debts do so. The good faith provision also requires the court to take into consideration an offer of a qualified loan modification. And when an affordable loan modification is available, we want homeowners to take that route.

The manager's amendment also advises courts to consider the Treasury's guidelines in crafting modifications, and in doing so, it works seamlessly with the Obama administration's Making Homes Affordable Plan. In both instances, fairness and affordability are the touchstones.

It doesn't make any kind of sense that relief in Chapter 13 is denied to homeowners while it is provided to speculators and investors, which is what the current law provides. By changing the law, we've restored basic fairness to the system.

In addition to the heightened good faith requirement, the amendment would extend the pre-filing notice from 15 to 30 days and require the debtor to submit financial documentation to the lender so a meaningful negotiation

could take place. It also enhances the clawback provision to increase the amount of appreciation returning to the lender if a home should be sold for profit after judicial modification.

I really, as I said earlier, want to thank my colleagues, Mrs. TAUSCHER, Mr. CARDOZA, Mr. MARSHALL, and Mr. MILLER for their efforts.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. HASTINGS of Florida. Mr. Speaker, I yield the gentlelady an additional 1 minute.

Ms. ZOE LOFGREN of California. Bankruptcy should be a last resort. And I'll tell you, bankruptcy is no picnic. For an extended period of time, all of the debtor's personal financial life is in public. You can't spend anything without permission of the court. You can't tithe to your church unless the bankruptcy judge says "okay." Santa can't come to your house on Christmas unless the court permits expenditures for a toy. It is a permanent mark on your record.

And so to think that someone would go into that proceeding frivolously with that kind of stain, that burden and that kind of a stigma, is just not realistic. And I hope the people understand this is not something that people do in a frivolous way or an unthoughtful way.

Ms. FOXX. Mr. Speaker, I would like to ask that my colleagues on the other side of the aisle put the microphones close to their mouths because there are times we can't understand the words over here because the volume is not coming through.

I would like to say that I understand my colleague is very concerned about the issue of fairness, but I think that we need to think about those people who played by the rules and not those who tried to go around the rules. We're not being fair to those people.

I would now like to yield 2 minutes to the gentleman from Iowa (Mr. KING).

Mr. KING of Iowa. Mr. Speaker, I'd like to thank the gentlelady from North Carolina for yielding.

I rise in opposition to this rule. And I rise, of course, in opposition to the underlying bill as well.

But speaking to the rule, my argument's about process. There's a tremendous amount of fraud that's taking place in the mortgages in this country, and people that have relief under this should have clean hands. And in recognizing that, I introduced an amendment in the Judiciary Committee that would exclude those who have misrepresented or, under false pretenses or actual fraud, achieved an extension of their mortgage and then brought this to the bankruptcy court. We've got to have people with clean hands, not those that are taking advantage of this situation. The door has already been opened. This opens the door more.

My amendment, Mr. Speaker, passed the Judiciary Committee by a vote of 21-3. It was a prudent decision on the part of the members of the committee.

It's the judgment of the Judiciary Committee. The problem with it was that it was stripped out after the committee approved it and sent it to Rules as part of a change in a manager's amendment.

I took my amendment back to Rules to try to get back the process. The process ought to respect the will of the Judiciary Committee. The Rules refused to even allow me to offer my amendment here on the floor to try to get another recorded vote even when I'd been successful in Judiciary Committee. And now there's another manager's amendment before this committee that amends the amendment that was amended by the previous manager's amendment after it passed the Judiciary Committee. The will of the Judiciary Committee means nothing in this bill. It's the will of the manager's amendment that will be voted on here on the floor of this Congress.

I argue for the process. I argue we have to have a clean process. I also think that we have to maintain the covenant of the contract between the mortgager and the mortgagee. This amendment doesn't do that. This amendment tears that contract asunder and says to lenders that their capital's at risk and their interest rate is at risk. Why would anyone loan anybody money unless they could calculate in the risk that some judge would change the rules after the fact, just like the rules of the Judiciary Committee on a successful 21-3 vote have been changed after the fact?

Mr. Speaker, I oppose the rule.

Mr. HASTINGS of Florida. Mr. Speaker, I would say to my friend when he asked the question, why would anybody offer money for people if they knew that a bankruptcy judge was going to modify it—but what about those private jets? They tend to loan money for them. And I know a whole lot of rich people that went into bankruptcy for the express purpose of avoiding paying bills. So I don't buy into that argument. We're about trying to help people here.

Mr. Speaker, I yield 2 minutes to the distinguished lady from Texas.

Ms. FOXX. Mr. Speaker, I would like to ask the gentleman if he would yield for a question.

Mr. HASTINGS of Florida. At this time, I will not.

I will yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. I came to the floor, Mr. Speaker, because I wanted to make sure that this was the day that the United States Congress addressed the question of responsible, hardworking Americans.

I came to the floor with my BlackBerry because there's a message about one of our renowned mortgagers, Countrywide, that is in the process of evicting one of my constituents—a hardworking, long-standing, if you will,

working American trying to save their home. Long message as to what has been going on in this instance and the insensitivity of the mortgager.

So today is a day for being responsible. It is not a day for those who have, in essence, been irresponsible. It is a day to allow them, as every American has a right, their day in court with a judge with a fine-tooth comb who will review all of the documents and even including the responsibility of that particular petitioner to include all of the information on income, expenses and debts to the holder of the mortgage, with the second amendment including a particular clawback provision that increases the amount of money that the lender might get if the particular house was sold.

In addition, I am supporting this rule, but I do look forward to the conference, which I hope that I will be a participant, because, in fact, if these individuals are victims of predatory lending, which many of them have been—meaning that they would go to a servicer who would masquerade their documents and say they can get into a house—this particular action of bankruptcy should not be part of the credit score which then dumbs down the opportunity for this individual to restore themselves, get back into the economic market, be able to get credit, be able to buy things and turn this economy.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. HASTINGS of Florida. Mr. Speaker, I yield an additional minute to the gentlewoman.

Ms. JACKSON-LEE of Texas. I thank the distinguished gentleman.

This is a fair and reasonable bill, along with the manager's amendment that, in fact, allows this particular homeowner, the person that is in this BlackBerry that is in the midst of an eviction having purchased a house in honesty with the lights on, putting forward the documentation but yet being subjected to that well-known mortgager, Countrywide, that gave vast numbers of, if you will, mortgages in the context that might not have been the most appropriate.

Today we are allowing the courts of law, the established bankruptcy court—established statutorily and protected by the Constitution—to allow someone due process. That's all we're saying, Mr. Speaker.

And all of this about irresponsible persons offends me because there are thousands, and now millions, of families who are simply trying to say, Keep the tax base for my struggling city, allow my neighbors to not have their homes depreciated because I have had the unfortunate mistake of being misrepresented to. Some of these people are still working.

I close by saying 3,500 people are in line for a job. Today is the little person's opportunity.

Mr. Speaker, thank you for your leadership on this very important question. Chairman CONYERS and Chairman FRANK, I would like to

also thank you for your leadership. Lastly, I would like to thank my able Legislative Director, Arthur Sidney, for his hard work on this issue.

The bill before us today is very important and will help Americans during this difficult economic time. As you know, home foreclosures are at an all-time high and they are poised to accelerate as the recession deepens. In 2006, there were 1.2 million foreclosures in the United States, representing an increase of 42 percent over the prior year. During 2007 through 2008, mortgage foreclosures were estimated to result in a whopping \$400 billion worth of defaults and \$100 billion in losses to investors in mortgage securities.

During this time, debtors and average homeowners found themselves in the midst of a home mortgage foreclosure crisis of unprecedented levels. Many of the mortgage foreclosures were the result of subprime lending practices.

Subprime lending did not always have a bad name; however, within the last five to seven years, unscrupulous lenders have preyed upon buyers in a predatory fashion. The amendment that I offered before the Rules Committee was intended to address this issue. Specifically, my amendment would preclude a foreclosure and bankruptcy that resulted from subprime and predatory lending from being included in the determination of a debtor's creditor score. Certainly, a debtor's declaration of foreclosure or bankruptcy has a deleterious effect on one's credit score.

This makes a bad situation, worse. If a debtor has poor credit to begin with and is forced to declare bankruptcy or is forced into foreclosure, this combination would make it almost impossible for a debtor to secure credit in the future. A lowered credit score results in a downward spiral for the debtor and ultimately leads to an economic quagmire for the debtor.

MY AMENDMENT

I offered the following amendment to be included in the bill:

SEC. 205. FORBEARANCE IN CREATION OF CREDIT SCORE

(a) IN GENERAL.—Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681g) is amended by adding at the end the following new subsection:

“(h) FORECLOSURE ON SUBPRIME NOT TAKEN INTO ACCOUNT FOR CREDIT SCORES.—

“(1) IN GENERAL.—A foreclosure on a subprime mortgage of a consumer may not be taken into account by any person in preparing or calculating the credit score (as defined in subsection (f)(2)) for, or with respect to, the consumer.

“(2) SUBPRIME DEFINED.—The term ‘subprime mortgage’ means any consumer credit transaction secured by the principal dwelling of the consumer that bears or otherwise meets the terms and characteristics for such a transaction that the Board has defined as a subprime mortgage.”.

(b) REGULATIONS.—The Board shall prescribe regulations defining a subprime mortgage for purposes of the amendment made by subsection (a) before the end of the 90-day period beginning on the date of the enactment of this Act.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect at the end of the 30-day period beginning on the date of the enactment of this Act and shall apply without regard to the date of the foreclosure:

My amendment would have prevented homeowners and debtors, who were facing mortgage foreclosure as a result of the unscrupulous and unchecked lending of predatory lenders and financial institutions, from having their mortgage foreclosure count against them in the determination of their credit score. It is an equitable result given that the debtors ultimately faced mortgage foreclosure because of the bad practices of the lender.

Simply put, my amendment would have prevented homeowners who have declared mortgage foreclosure as a result of subprime mortgage lending and mortgages from having the foreclosure count against the debtor/homeowner in the determination of the debtor/homeowner's credit score.

The homeowners should not be required to pay for the bad acts of the lenders. It would take years for a homeowner to recover from a mortgage foreclosure. My amendment strengthens this already much needed and well thought out bill.

I am delighted that the Judiciary Committee has indicated that my language will be included in the Conference language. I look forward to having my staff work with the Committee to achieve this end.

There were four amendments that were made in order by the Rules Committee. I will address my support or non-support for each amendment.

CONYERS AMENDMENT

I support the Manager's Amendment offered by Chairman CONYERS. The amendment makes sense and makes clear that H.R. 1106 is intended to help those that cannot afford to repay their mortgage without intervention. Indeed it is strength to the underlying bill by providing finality to the decisions worked out by the bankruptcy courts. These decisions would provide finality between lenders and borrowers. Moreover, the debtors are afforded certain protections by the Second Degree Amendment. The Second Degree Amendment provides that the lender could receive additional funding from the sale of the foreclosed home.

The Manager's Amendment would do the following:

(1) require courts to use FHA appraisal guidelines where the fair market value of a home is in dispute;

(2) deny relief to individuals who can afford to repay their mortgages without judicial mortgage modification; and

(3) extend the negotiation period from 15 to 30 days, requiring the debtor to certify that he or she contacted the lender, provided the lender with income, expense and debt statements, and that there was a process for the borrower and lender to seek to reach agreement on a qualified loan modification.

The Conyers Amendment would require a GAO study regarding the effectiveness of mortgage modifications outside of bankruptcy and judicial modifications, whether there should be a sunset, the impact of the amendment on bankruptcy courts, whether relief should be limited to certain types of homeowners. The GAO must analyze how bankruptcy judges restructure mortgages, including the number of judges disciplined as a result of actions taken to restore mortgages.

The Conyers Amendment would clarify that loan modifications, workout plans or other loss mitigation plans are eligible for the servicer

safe harbor. Further, it would require HUD to receive public input before implementing certain FHA approval provisions.

With respect to the HOPE for Homeowners Program: recasts the prohibition against having committed fraud over the last 10 years from a freestanding prohibition to a borrower certification. The Conyers Amendment would amend the National Housing Act to broaden eligibility for Home Equity Conversion Mortgage (HECM) or “reverse mortgage.”

Provides that the GAO must submit to Congress a review of the effects of the judicial modification program.

Requires the Comptroller of Currency, in coordination with the Director of Thrift Supervision, to submit reports to Congress on the volume of mortgage modifications and issue modification data collection and reporting requirements.

Expresses the Sense of Congress that the Treasury Secretary should use amounts made available under the Act to purchase mortgage revenue bonds for single-family housing.

Expresses the Sense of Congress that financial institutions should not foreclose on any principal homeowner until the loan modification programs included in H.R. 1106 and the President's foreclosure plan are implemented and deemed operational by the Treasury and HUD Secretaries.

Establishes a Justice Department Nationwide Mortgage Fraud Task Force to coordinate anti-mortgage fraud efforts. Would provide that the Treasury Secretary shall provide that the limit on the maximum original principal obligation of a mortgage that may be modified using EESA funds shall not be less than the dollar limit on the maximum original principal obligation of a mortgage that may be purchased by the Federal Home Loan Mortgage Corporation that is in effect at the time the mortgage is modified.

PRICE, TOM AMENDMENT

I oppose the Price Amendment. The Price Amendment provides that if a homeowner who has had a mortgage modified in a bankruptcy proceeding sells the home at a profit, the lender can recapture the amount of principal lost in the modification.

I oppose the Price Amendment for the following reasons.

First, the Price amendment would make homeowners into renters for life. It will lead to poorly maintained homes and lower property values for all of us. It takes away any incentive for homeowners to maintain their homes or insist on competitive sale prices.

Second, the Manager's Amendment already allows lenders to get back a substantial portion of any amount a home appreciates after bankruptcy. But it leaves in place incentives for homeowners to maintain and improve homes.

Third, the Price Amendment is opposed by the Center for Responsible Lending, Consumers Union, Leadership Conference on Civil Rights, National Association of Consumer Advocates, National Association of Consumer Bankruptcy Attorneys, National Community Reinvestment Coalition, National Consumer Law Center, National Legal Aid and Defender Association, National Policy and Advocacy Council on Homelessness, and USPIRG.

For the foregoing reasons, I oppose the Price Amendment and I urge my colleagues to vote “no” on this amendment.

PETERS, GARY AMENDMENT

I support this amendment. This amendment is straightforward and is intended to help the borrower by providing a last clear chance to garner much needed information. It is my hope that this information would be used to provide financial assistance and education to the consumer.

In many cases, proper education about the use of credit and mortgages could have made all the difference in the consumers choices. Simply put, if the consumers made wise and informed credit decisions in the first instance, they might not have been in bankruptcy or facing foreclosure. I find this amendment incredibly prudent and helpful to debtors and consumers. I urge my colleagues to support this amendment.

TITUS AMENDMENT

The Titus Amendment would require a servicer that receives an incentive payment under the HOPE for homeowners to notify all mortgagors under mortgages they service who are "at-risk homeowners" (as such term is defined by the Secretary), in a form and manner as shall be prescribed by the Secretary, that they may be eligible for the HOPE for Homeowners Program and how to obtain information regarding the program.

The HOPE for Homeowners (H₄H) program was created by Congress to help those at risk of default and foreclosure refinance into more affordable, sustainable loans. H₄H is an additional mortgage option designed to keep borrowers in their homes. The program is effective from October 1, 2008 to September 30, 2011.

HOW THE PROGRAM WORKS

There are four ways that a distressed homeowner could pursue participation in the HOPE for Homeowners program:

1. Homeowners may contact their existing lender and/or a new lender to discuss how to qualify and their eligibility for this program.
2. Servicers working with troubled homeowners may determine that the best solution for avoiding foreclosure is to refinance the homeowner into a HOPE for Homeowners loan.
3. Originating lenders who are looking for ways to refinance potential customers out from under their high-cost loans and/or who are willing to work with servicers to assist distressed homeowners.
4. Counselors who are working with troubled homeowners and their lenders to reach a mutually agreeable solution for avoiding foreclosure.

It is envisioned that the primary way homeowners will initially participate in this program is through the servicing lender on their existing mortgage. Servicers that do not have an underwriting component to their mortgage operations will partner with an FHA-approved lender that does.

Because I am committed to helping Americans obtain homes and remain in their homes, I support the HOPE for Homeowners Program and I support this amendment. I urge my colleagues to support this bill. Indeed, I feel personally vindicated that Congress has set aside \$100 billion to address the issue of mortgage foreclosure, an issue that I have long championed in the 110th Congress.

All in all, the rule makes sense. The amendments that I support will make this bill much stronger and will benefit more Americans. I

urge my colleagues to support the Conyers, Peters, and Titus Amendments.

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Ms. FOXX. Mr. Speaker, I now am pleased to yield 2 minutes to my colleague from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. I thank the gentlewoman for yielding.

With our current economic situation, I think it's vital that we encourage responsibility. Congress is spending all of its time and energy rewarding those who have acted irresponsibly. We must not ignore those who have played by the rules and lived within their means.

Responsible homeowners are being left out of the equation, and that must change. We must recognize responsibility. For just that reason, last night I introduced legislation to give responsible homeowners who have paid and continue to pay their mortgages on time a \$5,000 tax credit. This isn't another bailout or a taxpayer-backed debt obligation. It's a way for hard-working American families to keep more of the money that they earn so they can keep acting responsibly and help our economy grow. Just because responsible homeowners are paying their mortgages on time does not mean that they don't need help. The administration claims their plan will help one in nine homeowners. My commonsense plan helps the other eight of nine homeowners the administration and the Democrats ignore.

Mr. Speaker, this is simple. We cannot continue the policies pursued by the administration and my Democratic colleagues that reward irresponsibility and dependency. To pull ourselves out of this crisis we need real change. We must pursue policies that foster a culture of responsibility. So I urge my colleagues to take a look at my legislation and support it, because my plan does do just that.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 2 minutes to my good friend from Missouri, a member of the Financial Services Committee, Representative CLEAVER.

Mr. CLEAVER. Mr. Speaker, I'd like to share a letter that I received from an attorney in my district. The attorney, Sidney Willens, wrote me this letter, and it is, in essence, a letter that supports this rule.

He says, "Dear Congressman CLEAVER, let me tell you a story of Mrs. Sherrita Richardson, a 37-year-old African American mother of four, a bus driver for 9 years. Four years ago, Mrs. Richardson acquired a house in your district at 3413 East 60th Street with an inflated appraisal of \$93,000, requiring a 10 percent down payment she didn't have. Yet, virtually penniless, Mrs. Richardson acquired title to a house for \$93,000. A mortgage broker purchased a \$9,300 cashier's check payable to the seller, made a copy to show the 10 percent down payment was made, then redeemed the \$9,300 check 24 hours later."

He goes on to say, "The need for bankruptcy judges to reduce mortgage balances consistent with current fair market values is absolutely essential if we're to get out of this economic mess."

For those who give hope to "mortgage modification," let me say one thing; mortgages have been modified by crooks using the adjustable rate mortgage—they modified mortgages, they did it as hoodlums. And there is no reason for the Congress of the United States of America not to step in and try to help people who've been ripped off in the name of good business.

Ms. FOXX. Mr. Speaker, I now yield 3 minutes to my colleague from California (Mr. ROYCE).

Mr. ROYCE. Mr. Speaker, many of us have read the Peruvian economist book, Hernando de Soto's book, "The Mystery of Capital: Why Capitalism Succeeds in the West and Fails Everywhere Else." It's a best seller in the developing world.

The importance of that book in a lot of the world is it explains to people why it is that interest rates are so low here, why it is that we're so successful in the percentages of mortgages that we're able to grant in the United States. And it is the sanctity of that contract, it is the certainty of that mortgage contract. And the great fear I think many of us have here is that if we start down the road to writing down the principal in that contract, we are going to end up moving in the direction, as de Soto would say, of the difference between the First World and the Third World. We are not going to be able to have interest rates that are around 6 or 7 percent.

Is there a way that Treasury has developed as an alternative to this scheme? Yes, they have. They have developed a way to have mortgage servicers work out these Alt-A loans that we're talking about today, these ARMs that might go to 8½, and to work that out into 30 years at 6 percent that's affordable for people. And we've had 2.3 million of those workouts by the end of last year.

But now, here we are, instead of doing the voluntary arrangement and putting resources in to do that—which is what we intended to do, I think, as we started this process—we're, instead, listening to the bankruptcy attorneys with an alternative approach. And that approach is to set this up so that it can be gamed in a way that knocks down the amount of the principal. And if we do that, we're right back to where Chief Justice of the Supreme Court John Paul Stevens said we would be in the case of *Nobleman v. American Savings Bank*. He said, you do this—there's a reason why that mortgage contract is held in the law the way it is. If you manage to reduce that principal, then the consequence is going to be that capital is not going to come in and drive down interest rates.

My concern here is that the difference between what people pay on the market for credit card rates or auto loan rates and interest rates on their home mortgage is a huge sum of money. And in order to empower these bankruptcy judges to go forward and take advantage of this and open this up, then the investors on the other side of the—let me throw one other thought out there besides the impact it's going to have on interest rates.

Think now about what happens with the HOPE NOW Alliance, where people at the table are trying to get that 30-year loan at 6 percent. Are either the borrower or the lender going to stay at that table when they think, oh, no, here's an alternative: we go to bankruptcy court, we write down the amount of that principal? No, my friends. We're headed down a road here that is very, very ill-advised.

If you want to do workouts in terms of lowering the interest rate, that's one thing, and there is a way we can do it. We can put more resources in there that the mortgage servicers can use to do that. But this is the wrong road.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 2 minutes to my good friend, the gentleman from Texas (Mr. AL GREEN).

Mr. AL GREEN of Texas. I thank the Member from Florida for yielding the time. I am honored to be associated with this piece of legislation.

Mr. Speaker, the words that come to mind, as we debate this issue, the words that comes to mind are, "at last." At last we are now embracing help for homeowners. We have worked for Wall Street, we have worked to do something for Main Street; it is now time to do something for "Home Street," the street where people live, the street where people have their greatest investment.

Let's talk for just a moment about the concerns with reference to allowing bankruptcy to become a part of this process. My dear friends, bankruptcy is already a part of the process. If you own two, three, four or five homes, you may modify those homes in bankruptcy. If you only own one home as your principal home, that home is excluded from bankruptcy. The bankruptcy process ought to embrace people who have not been as fortunate as those who have five homes to the same extent that it embraces people who have but one place to call home. It is time to bring some equity into the process.

This equity is not prospective, it is retrospective. It only applies to homes that were closed on prior to the bill being enacted. It does not go forward. So this argument that it embraces interest rates into the future is not a correct argument. It only embraces the past, not the future.

And finally, I would say to you, as this is done, the homeowner has to attempt a workout before there can be judicial modification.

The safeguards are there. The opportunity is before us. The question is, do

we want to protect Home Street to the same extent that we want to protect Main Street and Wall Street? There are people who are suffering, this is the opportunity to help them.

Ms. FOXX. Mr. Speaker, I am very pleased to yield 5 minutes to the ranking member of the Judiciary Committee, Mr. SMITH from Texas.

Mr. SMITH of Texas. Mr. Speaker, I thank the gentlewoman from North Carolina for yielding.

Mr. Speaker, our country has fallen into a serious economic recession, a recession that is worsened by the foreclosure crisis.

Until we address the rising number of foreclosures, it will be difficult for the economy to recover. Some of what is in this bill we consider today will be helpful, such as providing loan officers a safe harbor from the threat of litigation if they offer borrowers meaningful loan modifications. But the bill also includes many counterproductive components, especially the bankruptcy provision. This bankruptcy provision not only will fail to solve the foreclosure crisis, but also will make the crisis deeper, longer and wider. Allowing bankruptcy judges to rewrite mortgages will increase the overall cost of loaning. Lenders and investors will hesitate to put up capital in the future if they fear that judges will rewrite the terms of their mortgage contracts. Less available capital and increased risk means that borrowers will pay higher interest rates in the future.

Allowing bankruptcy judges to rewrite mortgages will also encourage borrowers who owe more money on their mortgage than their house is worth to file for bankruptcy. Under this bill, a borrower will be able to reduce, for example, a \$300,000 mortgage to \$200,000. When housing prices rise in the future, that borrower has no obligation to pay back the \$100,000, which of course amounts to a windfall.

Experts predict that this will provide an incentive for borrowers to file for bankruptcy so that they can avoid repaying the entire amount they owe. Also, if bankruptcy filings increase as a result of this legislation—which is virtually predicted by everyone—it is unlikely that the country's only 368 bankruptcy judges could handle perhaps millions of cases. This will prolong the crisis as borrowers wait years for their bankruptcy plan to be court approved.

In fact, even Senator DURBIN, the primary sponsor of this legislation in the Senate, stated that he is "willing to restrict" this legislation to subprime mortgages in an effort to make this proposal "reasonable."

Because it has been suggested that Senator DURBIN did not make these comments, I would like to submit the transcript of Senator DURBIN's remarks to be made part of the RECORD.

Mr. Speaker, the legislation we are considering today in the Housing Affordability and Stability Plan really amounts to another entitlement pro-

gram, a program that comes at the expense of the 92 percent of homeowners who are making their payments on time. And it is a program that benefits lenders who wrote irresponsible loans and borrowers who borrowed more than they could afford. In other words, this legislation will punish the successful, tax the responsible, and hold no one accountable.

If we pass this legislation, what message does it send to responsible borrowers who are making their payments on time? How can we ask them to foot the bill for their neighbors' mortgages? What do homeowners think as they pay back the full amount of principal they owe while others receive a government-granted reduction in principal?

Mr. Speaker, we need to do everything we can to help solve the foreclosure crisis, but we need to do so in a manner that doesn't bankrupt the taxpayers or our financial system and that is fair to all. Unfortunately, this bill does not do that.

[From American Banker, Feb. 27, 2009]

TRANSCRIPT OF REMARKS BY SEN. DURBIN

The following is a transcript of remarks between Sen. Richard Durbin and an American Banker reporter, Tuesday evening after President Obama's speech to Congress.

AB Reporter: "Sen. Durbin, do you have a moment today on bankruptcy reform?"

Sen. Durbin: "Sure."

AB Reporter: "I know that in the House, at least regarding this week, the lenders are still trying to make the restrictions so that you have to exhaust all other recourses before bankruptcy pretty tough, even today I heard about making HUD or one of the regulators certify that you had a modification or something that didn't work before you could go through bankruptcy. What are your thoughts on what the standard ought to be?"

Sen. Durbin: "I think that it is reasonable to require the borrower to be in communication for a reasonable time before they file for bankruptcy. You know if a borrower will not talk to a bank they should not be able to avail themselves but it's really difficult to write into law a measurement of good faith so the best you can do is give them an opportunity to meet. Remember 99% of foreclosed homes end up owned by the bank so it isn't as if they are going to end up coming out ahead if the person's losing their home. They get stuck with \$50,000 in costs and a house to maintain; to protect from vandalism, and to show and try to sell, so the banks ought to be much more forthcoming. Every attempt we've tried, every voluntary attempt we've tried has failed. You have to have this bankruptcy provision as the last resort if there is a failure to negotiate the mortgage."

AB Reporter: "Do you know when the Senate might be taking this up?"

Sen. Durbin: "After the House and we might change it of course. There are variations we're looking at. But I'm willing to restrict this to homeowners to eliminate speculators; to subprime mortgages, only those currently in existence. I want to make this a reasonable limited—"

AB Reporter: "You're willing to limit it to subprime mortgages?"

Sen. Durbin: "We've talked about that as a possibility. But I am willing to negotiate. I want this to be a reasonable approach, but we have to include it. If we don't include it we'll be stuck in the same mess we're in today."

AB Reporter: "What about the time limitation as far as when the loans were originated. I understand there are some who

would like to see it limited to loan underwritten in the last few years?"

Sen. Durbin: "My version will not be prospective. So it has to be existing loans."

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 1 minute to the distinguished chairperson of the Committee on the Judiciary, my good friend, Mr. CONYERS.

Mr. CONYERS. I thank the floor manager, Judge HASTINGS, for his kindness.

And I only rise to thank Dr. FOXX for her appreciation and pointing out to me one thing that we have added now to the manager's amendment, and that is the requirement of studies by the Government Accountability Office and other agencies, including the Office of Comptroller of Currency and the Office of Thrift Supervision. She appreciated that in the Rules Committee, I'm sure she does now, and I thank her for that important contribution.

And I would yield to her.

Ms. FOXX. If I could engage in a very short colloquy with the chairman of the Judiciary Committee.

Mr. CONYERS. Absolutely.

Ms. FOXX. I do thank you again for including my suggestions in the bill. As I said last week on the floor, and as I have indicated to you personally, I thank you very much. I wish we could have made the bill even better, but thank you.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HASTINGS of Florida. I yield the gentleman an additional 30 seconds.

Mr. CONYERS. She is giving me further instructions, so I'll see what I can do between now and the time we introduce the manager's amendment.

□ 1115

Ms. FOXX. Mr. Speaker, I now yield 2 minutes to my colleague from California (Mr. DANIEL E. LUNGREN).

Mr. DANIEL E. LUNGREN of California. I thank the gentlewoman for yielding.

Mr. Speaker, I come from the State of California, which has been hit about as badly as any State in the Union with the burst of the housing bubble, and particularly my part of the State of California. So I know, and I am earnestly hopeful that we will enact legislation that will be a benefit to that phenomena that has occurred throughout this country.

However, I rise in opposition to this rule and rise in opposition to this bill precisely because of the inclusion of the bankruptcy cramdown provision. It is a classic example of the law of unintended consequences.

The gentleman came to the floor, the gentleman from Texas, just a moment ago, and said, look, we should treat this the way we do with other homes and other investment properties. That is an inept analogy in that if you look at chapter 13 right now and you do have a cramdown on a vacation home, for instance, from \$550,000 to \$500,000, that plan would require the entire

thing to be paid back within 3 to 5 years.

That's not the proposal we have here on the floor with respect to the primary residence. This would be extended over 30 years. This would create an additional uncertainty in the marketplace so that the accessibility, the eligibility and the low rates that are now given in the arena of primary homes, as opposed to other homes or other investments, would be in jeopardy.

That's the thing that we have to understand. We are treated precisely, differently in bankruptcy court because we want to promote homeownership, we want to promote eligibility. We want to promote accessibility, and we want to promote low rates.

When you introduce an uncertainty like this, and we have in our minority report from the Judiciary Committee extensive reference to experts who say this is the case, when you introduce additional reduced risk, as you do here, you are going to jeopardize the accessibility and eligibility of these mortgages in the future to everybody, particularly those who are of the medium and low-income groups.

So sometimes we have got to learn on this floor that best intentions don't conclude with the best results. What we are doing here is working against the interests of the very people we claim to be helping.

Mr. HASTINGS of Florida. Mr. Speaker, I would inquire of the gentlelady from North Carolina if she has any remaining speakers?

Ms. FOXX. Yes, Mr. Speaker, I have several remaining speakers.

Mr. HASTINGS of Florida. Then I would reserve the balance of my time.

Ms. FOXX. Mr. Speaker, I now would like to yield 2 minutes to my colleague from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. I thank the gentlelady from North Carolina.

Mr. Speaker, when a bank forecloses in a neighborhood, it certainly affects the values of the surrounding homes. But when a bankruptcy judge arbitrarily breaks the mortgage contract, it will lower values on houses everywhere. I rise today in opposition to the rule and also to the well intended but tragically flawed bill.

The Helping Families Save Their Homes Act of 2009 may live up to its name for a few people and for a very short time, but it does not stop home prices from falling. That, Mr. Speaker, is exactly what must happen for the economy to recover.

Nobody here wants to see his or her constituents lose their homes to foreclosure, but it is our responsibility, as leaders, as Members of Congress, to make sure that the laws we passed don't have severe, unintended consequences. As most economists agree, two things are causing housing prices to fall, first home builders overbuilt and there was a glut on the market,

and the demand did not keep up with the supply.

Second, as long as perspective buyers expect prices to fall, they will continue to hold out buying. In doing so, there is a self-fulfilling prophecy here.

And like the two clauses of this crisis, this bill will have two consequences. Banks will most certainly require much higher down payments for future borrowers. Instead of 5 or 20 percent, borrowers will have to come up with, perhaps, 40 or 50 percent. Why, because of the uncertainty of is this amount of the mortgage going to hold?

Second, banks will certainly charge a higher interest rate than they do today. Under normal circumstances, some might consider that a good thing. But if this bill becomes law, the House prices will fall further, faster, and the economy will certainly follow.

As we have seen, many more people will lose their livelihoods and find themselves in a foreclosure. And, tragically, the families this legislation was supposed to help will find themselves underwater again. This is incredible danger here, and I urge my colleagues to vote against the rule.

Mr. HASTINGS of Florida. I continue to reserve.

Ms. FOXX. Mr. Speaker, I now yield 2 minutes to my colleague from Georgia (Mr. BROUN).

Mr. BROUN of Georgia. I thank the gentlelady for yielding.

This rule and this bill are both blatantly unfair.

They are unfair to the working poor. They are unfair to the middle class. They are unfair to the community banks that have no blame in this housing crisis, for the most part. What it's going to do is it's going to hurt the people who have been responsible, and it's going to help those who have been irresponsible.

We have solutions. We, on our side, have offered many solutions that would stop this steamroll of socialism. This is another turn of the wheel of that steamroll of socialism that's being forced down the throats of the American people.

We have got to stop this. We have got to stop messing in people's business and hurting the people that this bill is intended to help. It's going to reward those who have been irresponsible. It's going to reward those who have been involved in greed, and it's going to hurt those people who are trying their best to have a home, to have a good value in their home.

We need to vote down this rule, we need to stop this bill. We need to stop this gross infringement on people's rights and privacy and lives that this Federal Government is doing.

We have to stop this steamroll of socialism, and I call upon my colleagues to vote down this rule and to vote down this bill.

Mr. HASTINGS of Florida. I continue to reserve, Mr. Speaker.

Ms. FOXX. Mr. Speaker, I now yield 2 minutes to the distinguished gentleman from Indiana (Mr. PENCE).

(Mr. PENCE asked and was given permission to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, I rise in opposition to the rule and to the Helping Families Save Their Homes Act.

It's legislation that really will punish those who played by the rules, lived within their means, by forcing them to subsidize Americans who made irresponsible choices. This bill also throws good money after bad.

If the HOPE for Homeowners Program was intended to help 400,000 borrowers, the American people deserve to know that to date the program has assisted 43 borrowers, not 43,000, not 430, 43. The President said it was his goal to, quote, eliminate government programs that are not performing. We could start with the HOPE for Homeowners Program.

More than anything else, Mr. Speaker, we are witnessing a disturbing pattern here in Washington, one that rewards bad decisions at the expense of people that have made right choices. We saw it in the bailout of Wall Street under a prior administration and continued under the new one.

We saw this with the so-called stimulus bill that was designed to stem the rising tide in this economic crisis but was nothing more than a wish list of spending priorities put on the backs of our children and grandchildren. But today we should note more than 90 percent of Americans are paying their mortgages on time and meeting their financial obligations, even in these difficult days, let me say with authority as we consider this bill.

People back in Indiana don't want a handout. They don't want to turn a blind eye to people who, through no fault of their own, found themselves in loans in which they should not have been engaged, but Hoosiers don't want to be put on the hook for a handout for people who knowingly made bad choices.

These are tough times. We should all be willing to make the sacrifices necessary to weather this economic storm, but we to begin by reaffirming the principle of personal responsibility.

The bill before us fails this essential standard. Rewarding bad behavior will not solve our problems, it will only worsen them. We should reject this bill. We should pursue the kinds of policies that put personal responsibility first and ultimately create the incentive for Americans who have invested in their homes and in their lives to continue to expand and prosper.

Mr. HASTINGS of Florida. I continue to reserve.

Ms. FOXX. Mr. Speaker, I want to thank all of my colleagues who have come today to speak on this rule. They have been extremely eloquent in explaining why we are opposed to this rule and the underlying bill.

We are in a terrible situation in this country in terms of our economic situation. And what this bill is going to do is it's going to have the effect of mak-

ing the current situation even worse, and let me explain a little bit why that is the case.

This bill is going to require that banks have increased capital reserves, which is going to mean we are going to have decreased lending of all types. Every day I hear from people across the country, particularly developers, who say they cannot get loans, there is no capital out there, and it is hurting our economy. Some of us wonder if our colleagues understand this and understand that the effect of this bill is to make the economy worse and wonder if that is an intention for this bill.

I think that we have to say that we had hoped that the bill that was pulled last week was going to come back as a better bill, and yet it has not. It's made this underlying bill either worse or it's simply window dressing.

The new rule that has come in is basically not doing anything to help our situation and it's not helping the underlying bill. There was a promise that this was going to be better. We knew there were moderates on the other side who were having problems voting for this rule and voting for this bill. They have now, I think, been fooled into thinking that this is a better bill. It is not.

As my colleagues have so eloquently said, there is a reward for irresponsibility and punishment for responsibility. We have heard the President say over and over and over, we need a new era of responsibility and accountability. This does just the opposite. This rule and this bill deserve the emperor's new clothes award because it doesn't do anything that they pretend it is going to do.

I urge my colleagues to vote "no" on the rule and vote "no" on the bill when it comes up.

I yield back the balance of my time. Mr. HASTINGS of Florida. Mr. Speaker, I yield myself the remainder of our time.

This is a good rule, Mr. Speaker, that not only addresses our current housing crisis but it also more precisely targets relief to those who need it most.

In January of this year alone, in St. Lucie County that I am privileged to serve, there was 1,372 home foreclosures, according to RealtyTrac. This was the second highest foreclosure rate in my State of Florida, up 44 percent from the previous year.

This legislation is not a giveaway, it is not welfare, it is a collective bill that will help those who have played by the rules. We must lay the foundation in this country to help us get out of this crisis, and we must make every effort to rebuild this country. We can't turn a blind eye to the nearly 6 million households in America that are possibly facing foreclosure.

Therefore, I urge my colleagues to support this rule that will put this great Nation back on track and will give millions of Americans the opportunity to continue living in their homes.

I urge a "yes" vote on the previous question and on the rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. FOXX. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on adoption of House Resolution 205 will be followed by 5-minute votes on the motion to suspend the rules on House Resolution 146, if ordered, and the motion to suspend the rules on House Concurrent Resolution 14, if ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 181, answered "present" 1, not voting 10, as follows:

[Roll No. 97]
YEAS—239

Abercrombie	Doyle	Larson (CT)
Ackerman	Driehaus	Lee (CA)
Adler (NJ)	Edwards (MD)	Levin
Altmire	Edwards (TX)	Lewis (GA)
Andrews	Ellison	Lipinski
Arcuri	Ellsworth	Loeb sack
Baca	Engel	Lofgren, Zoe
Baird	Eshoo	Lowe y
Baldwin	Etheridge	Lujan
Barrow	Farr	Lynch
Bean	Fattah	Maffei
Becerra	Filner	Maloney
Berkley	Foster	Markey (CO)
Berman	Frank (MA)	Markey (MA)
Bishop (GA)	Fudge	Marshall
Bishop (NY)	Giffords	Massa
Blumenauer	Gonzalez	Matsui
Boccheri	Gordon (TN)	McCarthy (NY)
Boren	Grayson	McCollum
Boswell	Green, Al	McDermott
Boucher	Green, Gene	McGovern
Boyd	Griffith	McIntyre
Brady (PA)	Grijalva	McMahon
Braley (IA)	Gutierrez	McNerney
Bright	Hall (NY)	Meek (FL)
Brown, Corrine	Halvorson	Meeks (NY)
Butterfield	Hare	Michaud
Capps	Harman	Miller (NC)
Capuano	Hastings (FL)	Miller, George
Cardoza	Heinrich	Mitchell
Carnahan	Herse th Sandlin	Mollohan
Carney	Higgins	Moore (KS)
Carson (IN)	Himes	Moore (WI)
Castor (FL)	Hinchey	Moran (VA)
Chandler	Hirono	Murphy (CT)
Clarke	Hodes	Murphy, Patrick
Clay	Holden	Murtha
Cleaver	Holt	Nadler (NY)
Clyburn	Honda	Napolitano
Cohen	Hoyer	Neal (MA)
Connolly (VA)	Inslee	Nye
Conyers	Israel	Oberstar
Cooper	Jackson (IL)	Obey
Costa	Jackson-Lee	Olver
Costello	(TX)	Ortiz
Courtney	Johnson (GA)	Pallone
Crowley	Johnson, E. B.	Pascarell
Cuellar	Kagen	Pastor (AZ)
Cummings	Kanjorski	Payne
Dahlkemper	Kennedy	Perlmutter
Davis (AL)	Kildee	Peters
Davis (CA)	Kilpatrick (MI)	Peterson
Davis (TN)	Kilroy	Pingree (ME)
DeFazio	Kind	Polis (CO)
DeGette	Kirkpatrick (AZ)	Pomeroy
Delahunt	Kissell	Price (NC)
DeLauro	Klein (FL)	Rahall
Dicks	Kosmas	Rangel
Dingell	Kratovil	Reyes
Doggett	Langevin	Richardson
Donnelly (IN)	Larsen (WA)	Rodriguez

Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schrader
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak

NAYS—181

Aderholt
Akin
Alexander
Austria
Bachmann
Bachus
Barrett (SC)
Bartlett
Barton (TX)
Berry
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp
Campbell
Cantor
Capito
Carter
Cassidy
Castle
Chaffetz
Childers
Coble
Coffman (CO)
Cole
Conaway
Crenshaw
Culberson
Davis (KY)
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dreier
Duncan
Emerson
Fallin
Flake
Fleming
Forbes
Fortenberry
Foxen
Franks (AZ)
Frelinghuysen

ANSWERED "PRESENT"—1

Kaptur

NOT VOTING—10

Cao
Davis (IL)
Ehlers
Hinojosa

□ 1155

Messrs. BOUSTANY and MILLER of Florida changed their vote from "yea" to "nay."

Towns
Tsongas
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Wexler
Wilson (OH)
Woolsey
Wu
Yarmuth

Moran (KS)
Murphy, Tim
Myrick
Neugebauer
Nunes
Olson
Paul
Paulsen
Pence
Petri
Pitts
Platts
Poe (TX)
Posey
Price (GA)
Putnam
Radanovich
Rehberg
Reichert
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Scalise
Schmidt
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Teague
Terry
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden
Wamp
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Young (AK)
Young (FL)

So the resolution was agreed to.
The result of the vote was announced as above recorded.
A motion to reconsider was laid on the table.
Stated against:
Mr. SCHOCK. Mr. Speaker, on rollcall No. 97, Rule for H.R. 1106, had I been present, I would have voted "nay."

MOMENT OF SILENCE IN REMEMBRANCE OF MEMBERS OF ARMED FORCES AND THEIR FAMILIES

The SPEAKER. The Chair would ask all present to rise for the purpose of a moment of silence.

The Chair asks that the House now observe a moment of silence in remembrance of our brave men and women in uniform who have given their lives in the service of our Nation in Iraq and in Afghanistan and their families, and all who serve in our Armed Forces and their families.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Without objection, 5-minute voting will continue.
There was no objection.

READ ACROSS AMERICA DAY

The SPEAKER pro tempore (Mr. PAS-
TOR of Arizona). The unfinished business is the question on suspending the rules and agreeing to the resolution, H. Res. 146.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado (Mr. POLIS) that the House suspend the rules and agree to the resolution, H. Res. 146.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. CROWLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 417, nays 0, not voting 14, as follows:

[Roll No. 98]

YEAS—417

Abercrombie
Ackerman
Aderholt
Adler (NJ)
Akin
Alexander
Altmire
Andrews
Arcuri
Austria
Baca
Bachmann
Bachus
Baird
Baldwin
Barrett (SC)
Barrow
Bartlett

Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Bocchieri
Boehner
Bonner

Bono Mack
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Brady (PA)
Brady (TX)
Braley (IA)
Bright
Broun (GA)
Brown (SC)
Brown, Corrine
Brown-Waite,
Ginny
Buchanan
Burgess

Burton (IN)
Butterfield
Buyer
Calvert
Camp
Campbell
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Carter
Cassidy
Castle
Castor (FL)
Chaffetz
Chandler
Childers
Clarke
Clay
Clyburn
Coble
Coffman (CO)
Cohen
Cole
Conaway
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (KY)
Davis (TN)
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Duncan
Edwards (MD)
Edwards (TX)
Ellison
Ellsworth
Emerson
Engel
Eshoo
Etheridge
Fallin
Farr
Fattah
Filner
Flake
Fleming
Forbes
Fortenberry
Foster
Fox
Frank (MA)
Franks (AZ)
Frelinghuysen
Fudge
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Gordon (TN)
Granger
Graves
Grayson
Green, Al
Green, Gene
Griffith
Grijalva

Guthrie
Gutierrez
Hall (TX)
Halvorson
Hare
Harman
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Himes
Hinchey
Hirono
Hodes
Hoekstra
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslie
Israel
Issa
Jackson (IL)
Jackson-Lee
(TX)
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Loebach
Lofgren, Zoe
Lowey
Lucas
Luetkemeyer
Luján
Lummis
Lungren, Daniel
E.
Lynch
Mack
Maffei
Maloney
Manzullo
Marchant
Markey (CO)
Markey (MA)
Marshall
Massa
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul

McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McHugh
McIntyre
McMahon
McMorris
Rodgers
McNerney
Meek (FL)
Meeks (NY)
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Nunes
Nye
Oberstar
Obey
Olson
Olver
Ortiz
Pallone
Pascrell
Pastor (AZ)
Paul
Paulsen
Payne
Pence
Perlmutter
Peters
Peterson
Petri
Pingree (ME)
Pitts
Platts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Putnam
Radanovich
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Levin
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Salazar
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schrader
Schwartz

Scott (GA) Stearns Visclosky
 Scott (VA) Stupak Walden
 Sensenbrenner Sullivan Walz
 Serrano Sutton Wamp
 Sessions Tanner Wasserman
 Sestak Tauscher Schultz
 Shadegg Taylor Waters
 Shea-Porter Teague Watson
 Sherman Terry Watt
 Shimkus Thompson (CA) Waxman
 Shuler Thompson (MS) Weiner
 Shuster Thompson (PA) Welch
 Simpson Thornberry Westmoreland
 Sires Tiahrt Wexler
 Skelton Tiberi Whitfield
 Slaughter Tierney Wilson (OH)
 Smith (NE) Titus Wilson (SC)
 Smith (NJ) Tonko Wittman
 Smith (TX) Towns Wolf
 Smith (WA) Tsongas Woolsey
 Snyder Turner Wu
 Souder Upton Yarmuth
 Space Van Hollen Young (AK)
 Spratt Velázquez Young (FL)

NOT VOTING—14

Cao Hinojosa Perriello
 Cleaver McKeon Rush
 Davis (IL) Melancon Speier
 Ehlers Miller, Gary Stark
 Hall (NY) Miller, George

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1205

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SUPPORTING THE GOALS AND IDEALS OF MULTIPLE SCLEROSIS AWARENESS WEEK

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 14.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Mrs. CAPPS) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 14.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

RECORDED VOTE

Mr. SCHAUER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 416, noes 0, not voting 15, as follows:

[Roll No. 99]

AYES—416

Abercrombie Andrews Baldwin
 Ackerman Arcuri Barrett (SC)
 Aderholt Austria Barrow
 Adler (NJ) Baca Bartlett
 Akin Bachmann Barton (TX)
 Alexander Bachus Bean
 Altmire Baird Becerra

Berkley Emerson Lee (CA)
 Berman Engel Lee (NY)
 Berry Eshoo Levin
 Biggert Etheridge Lewis (CA)
 Bilbray Fallin Lewis (GA)
 Bilirakis Farr Linder
 Bishop (GA) Fattah Lipinski
 Bishop (NY) Filner LoBiondo
 Bishop (UT) Flake Loeback
 Blackburn Fleming Lofgren, Zoe
 Blumenauer Forbes Lowey
 Blunt Fortenberry Lucas
 Boccieri Foster Luetkemeyer
 Boehner Foxx Luján
 Bonner Frank (MA) Lummis
 Bono Mack Franks (AZ) Lungren, Daniel
 Boozman Frelinghuysen E.
 Boren Fudge Lynch
 Boswell Gallegly Mack
 Boucher Garrett (NJ) Maffei
 Boustany Gerlach Maloney
 Boyd Giffords Manzullo
 Brady (PA) Gingrey (GA) Marchant
 Brady (TX) Gohmert Markey (CO)
 Braley (IA) Gonzalez Markey (MA)
 Bright Goodlatte Marshall
 Broun (GA) Gordon (TN) Massa
 Brown (SC) Granger Matheson
 Brown, Corrine Graves Matsui
 Brown-Waite, Grayson McCarthy (CA)
 Ginny Green, Al McCarthy (NY)
 Buchanan Griffith McCaul
 Burgess Grijalva McClintock
 Burton (IN) Guthrie McCollum
 Butterfield Hall (TX) McCotter
 Buyer Halvorson McDermott
 Calvert Hare McGovern
 Camp Harman McHenry
 Campbell Harper McHugh
 Cantor Hastings (FL) McIntyre
 Capito Hastings (WA) McMahon
 Capps Heinrich Morris
 Capuano Heller Rodgers
 Cardoza Hensarling McNerney
 Carnahan Herger Meek (FL)
 Carney Herseth Sandlin Meeks (NY)
 Carson (IN) Higgins Mica
 Carter Hill Michaud
 Cassidy Himes Miller (FL)
 Castle Hinchey Miller (MI)
 Castor (FL) Hirono Miller (NC)
 Chaffetz Hodes Minnick
 Chandler Hoekstra Mitchell
 Childers Holden Mollohan
 Clarke Holt Moore (KS)
 Clay Honda Moore (WI)
 Cleaver Hoyer Moran (KS)
 Clyburn Hunter Moran (VA)
 Coble Inglis Murphy (CT)
 Coffman (CO) Inslee Murphy, Patrick
 Cohen Israel Murphy, Tim
 Cole Issa Murtha
 Conaway Jackson (IL) Myrick
 Connolly (VA) Jackson-Lee Nadler (NY)
 Conyers (TX) Napolitano
 Cooper Jenkins Neal (MA)
 Costa Johnson (GA) Neugebauer
 Costello Johnson (IL) Nunes
 Courtney Johnson, E. B. Nye
 Crenshaw Johnson, Sam Oberstar
 Crowley Jones Obey
 Cuellar Jordan (OH) Olson
 Culberson Kagen Olver
 Cummings Kanjorski Ortiz
 Dahlkemper Kaptur Pallone
 Davis (AL) Kennedy Pascarell
 Davis (CA) Kildee Pastor (AZ)
 Davis (KY) Kilpatrick (MI) Paul
 Davis (TN) Kilroy Paulsen
 Deal (GA) Kind Payne
 DeFazio King (IA) Pence
 DeGette King (NY) Perlmutter
 Delahunt Kingston Peters
 DeLauro Kirk Peterson
 Dent Kirkpatrick (AZ) Petri
 Diaz-Balart, L. Kissell Pingree (ME)
 Diaz-Balart, M. Klein (FL) Pitts
 Dicks Kline (MN) Platts
 Dingell Kosmas Poe (TX)
 Doggett Kratovil Polis
 Donnelly (IN) Kucinich Pomeroy
 Doyle Lamborn Posey
 Dreier Lance Price (GA)
 Driehaus Langevin Price (NC)
 Duncan Larsen (WA) Putnam
 Edwards (MD) Larson (CT) Radanovich
 Edwards (TX) Latham Rahall
 Ellison LaTourette Rangel
 Ellsworth Latta Rehberg

Reichert Serrano Tiberi
 Reyes Sessions Tierney
 Richardson Sestak Titus
 Roe (TN) Shadegg Tonko
 Rogers (AL) Shea-Porter Towns
 Rogers (KY) Sherman Tsongas
 Rogers (MI) Shimkus Turner
 Rohrabacher Shuler Upton
 Rooney Shuster Van Hollen
 Ros-Lehtinen Simpson Velázquez
 Roskam Sires Visclosky
 Ross Skelton Walden
 Rothman (NJ) Slaughter Walz
 Roybal-Allard Smith (NE) Wamp
 Royce Smith (NJ) Wasserman
 Ruppersberger Smith (TX) Schultz
 Rush Smith (WA) Waters
 Ryan (OH) Snyder Watson
 Ryan (WI) Souder Watt
 Salazar Space Waxman
 Sánchez, Linda Spratt Weiner
 T. Stearns Welch
 Sanchez, Loretta Stupak Westmoreland
 Sarbanes Sullivan Wexler
 Scalise Sutton Whitfield
 Schakowsky Tanner Wilson (OH)
 Schauer Tauscher Wilson (SC)
 Schiff Taylor Wittman
 Schmidt Teague Wolf
 Schock Terry Woolsey
 Schrader Thompson (CA) Wu
 Schwartz Thompson (MS) Yarmuth
 Scott (GA) Thompson (PA) Young (AK)
 Scott (VA) Thornberry Young (FL)
 Sensenbrenner Tiahrt

NOT VOTING—15

Cao Hall (NY) Miller, George
 Davis (IL) Hinojosa Perriello
 Ehlers McKeon Rodriguez
 Green, Gene Melancon Speier
 Gutierrez Miller, Gary Stark

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1213

So (two-thirds being in the affirmative) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. GENE GREEN of Texas. Mr. Speaker, on rollcall No. 99, had I been present, I would have voted “aye.”

PERSONAL EXPLANATION

Mr. GEORGE MILLER of California. Mr. Speaker, as Chairman of the Committee on Education and Labor, I was called to the White House for a series of meetings with the President on health care reform. Accordingly, I missed two votes, that on H. Res. 146 (rollcall vote No. 98) and H. Con. Res. 14 (rollcall vote No. 99). Had I been present, I would have voted in favor of both resolutions.

GENERAL LEAVE

Ms. ZOE LOFGREN of California. Mr. Speaker, I ask unanimous consent that all Members be granted 5 legislative days to revise and extend their remarks on H.R. 1106, as well as to include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

HELPING FAMILIES SAVE THEIR HOMES ACT OF 2009

The SPEAKER pro tempore. Pursuant to House Resolution 205 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1106.

□ 1215

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1106) to prevent mortgage foreclosures and enhance mortgage credit availability, with Mr. SALAZAR (Acting Chair) in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the Committee of the Whole rose on Thursday, February 26, 2009, all time for general debate pursuant to House Resolution 190 had expired.

Pursuant to House Resolution 205, amendment No. 1, printed in House Report 111-21, shall be considered as perfected by the modification printed in House Report 111-23.

Pursuant to House Resolution 190, the bill shall be considered read for amendment under the 5-minute rule.

The text of the bill is as follows:

H.R. 1106

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as “Helping Families Save Their Homes Act of 2009”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is the following:

Sec. 1. Short title; table of contents.

TITLE I—PREVENTION OF MORTGAGE FORECLOSURES

Subtitle A—Modification of Residential Mortgages

Sec. 101. Eligibility for relief.

Sec. 102. Prohibiting claims arising from violations of the Truth in Lending Act.

Sec. 103. Authority to modify certain mortgages.

Sec. 104. Combating excessive fees.

Sec. 105. Confirmation of plan.

Sec. 106. Discharge.

Sec. 107. Standing trustee fees.

Sec. 108. Effective date; application of amendments.

Subtitle B—Related Mortgage Modification Provisions

Sec. 121. Adjustments as a result of modification in bankruptcy of housing loans guaranteed by the department of veterans affairs.

Sec. 122. Payment of FHA mortgage insurance benefits.

Sec. 123. Adjustments as result of modification of rural single family housing loans in bankruptcy.

Sec. 124. Unenforceability of certain provision as being contrary to public policy.

TITLE II—FORECLOSURE MITIGATION AND CREDIT AVAILABILITY

Sec. 201. Servicer safe harbor for mortgage loan modifications.

Sec. 202. Changes to HOPE for Homeowners Program.

Sec. 203. Requirements for FHA-approved mortgagees.

Sec. 204. Enhancement of liquidity and stability of insured depository institutions to ensure availability of credit and reduction of foreclosures.

TITLE I—PREVENTION OF MORTGAGE FORECLOSURES

Subtitle A—Modification of Residential Mortgages

SEC. 101. ELIGIBILITY FOR RELIEF.

Section 109 of title 11, United States Code, is amended—

(1) by adding at the end of subsection (e) the following: “For purposes of this subsection, the computation of debts shall not include the secured or unsecured portions of—

“(1) debts secured by the debtor’s principal residence if the value of such residence as of the date of the order for relief under chapter 13 is less than the applicable maximum amount of noncontingent, liquidated, secured debts specified in this subsection; or

“(2) debts secured or formerly secured by what was the debtor’s principal residence that was sold in foreclosure or that the debtor surrendered to the creditor if the value of such real property as of the date of the order for relief under chapter 13 was less than the applicable maximum amount of noncontingent, liquidated, secured debts specified in this subsection.”, and

(2) by adding at the end of subsection (h) the following:

“(5) The requirements of paragraph (1) shall not apply in a case under chapter 13 with respect to a debtor who submits to the court a certification that the debtor has received notice that the holder of a claim secured by the debtor’s principal residence may commence a foreclosure on the debtor’s principal residence.”.

SEC. 102. PROHIBITING CLAIMS ARISING FROM VIOLATIONS OF THE TRUTH IN LENDING ACT.

Section 502(b) of title 11, United States Code, is amended—

(1) in paragraph (8) by striking “or” at the end,

(2) in paragraph (9) by striking the period at the end and inserting “; or”, and

(3) by adding at the end the following:

“(10) the claim for a loan secured by a security interest in the debtor’s principal residence is subject to a remedy for rescission under the Truth in Lending Act notwithstanding the prior entry of a foreclosure judgment, except that nothing in this paragraph shall be construed to modify, impair, or supersede any other right of the debtor.”.

SEC. 103. AUTHORITY TO MODIFY CERTAIN MORTGAGES.

Section 1322 of title 11, United States Code, is amended—

(1) in subsection (b)—

(A) by redesignating paragraph (11) as paragraph (12),

(B) in paragraph (10) by striking “and” at the end, and

(C) by inserting after paragraph (10) the following:

“(11) notwithstanding paragraph (2), with respect to a claim for a loan originated before the effective date of this paragraph and secured by a security interest in the debtor’s principal residence that is the subject of a notice that a foreclosure may be commenced with respect to such loan, modify the rights of the holder of such claim (and the rights of the holder of any claim secured by a subordinate security interest in such residence)—

“(A) by providing for payment of the amount of the allowed secured claim as determined under section 506(a)(1);

“(B) if any applicable rate of interest is adjustable under the terms of such loan by pro-

hibiting, reducing, or delaying adjustments to such rate of interest applicable on and after the date of filing of the plan;

“(C) by modifying the terms and conditions of such loan—

“(i) to extend the repayment period for a period that is no longer than the longer of 40 years (reduced by the period for which such loan has been outstanding) or the remaining term of such loan, beginning on the date of the order for relief under this chapter; and

“(ii) to provide for the payment of interest accruing after the date of the order for relief under this chapter at a fixed annual rate equal to the currently applicable average prime offer rate as of the date of the order for relief under this chapter, corresponding to the repayment term determined under the preceding paragraph, as published by the Federal Financial Institutions Examination Council in its table entitled ‘Average Prime Offer Rates—Fixed’, plus a reasonable premium for risk; and

“(D) by providing for payments of such modified loan directly to the holder of the claim or, at the discretion of the court, through the trustee during the term of the plan; and”, and

(2) by adding at the end the following:

“(g) A claim may be reduced under subsection (b)(11)(A) only on the condition that if the debtor sells the principal residence securing such claim, before completing all payments under the plan (or, if applicable, before receiving a discharge under section 1328(b)) and receives net proceeds from the sale of such residence, then the debtor agrees to pay to such holder not later than 15 days after receiving such proceeds—

“(1) if such residence is sold in the 1st year occurring after the effective date of the plan, 80 percent of the amount of the difference between the sales price and the amount of such claim as originally determined under section 1322(b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under such subsection;

“(2) if such residence is sold in the 2d year occurring after the effective date of the plan, 60 percent of the amount of the difference between the sales price and the amount of such claim as originally determined under section 1322(b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under such subsection;

“(3) if such residence is sold in the 3d year occurring after the effective date of the plan, 40 percent of the amount of the difference between the sales price and the amount of such claim as originally determined under section 1322(b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under such subsection; and

“(4) if such residence is sold in the 4th year occurring after the effective date of the plan, 20 percent of the amount of the difference between the sales price and the amount of such claim as originally determined under section 1322(b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under such subsection.

“(h) With respect to a claim of the kind described in subsection (b)(11), the plan may not contain a modification under the authority of subsection (b)(11)—

“(1) in a case commenced under this chapter after the expiration of the 15-day period beginning on the effective date of this subsection, unless—

“(A) the debtor certifies that the debtor attempted, not less than 15 days before the commencement of the case, to contact the holder of such claim (or the entity collecting payments on behalf of such holder) regarding modification of the loan that is the subject of such claim; or

“(B) a foreclosure sale is scheduled to occur on a date in the 30-day period beginning on the date the case is commenced; and

“(2) in any other case pending under this chapter, unless the debtor certifies that the debtor attempted to contact the holder of such claim (or the entity collecting payments on behalf of such holder) regarding modification of the loan that is the subject of such claim, before—

“(A) filing a plan under section 1321 that contains a modification under the authority of subsection (b)(11); or

“(B) modifying a plan under section 1323 or 1329 to contain a modification under the authority of subsection (b)(11).

“(i) In determining the holder's allowed secured claim under section 506(a)(1) for purposes of subsection (b)(11)(A), the value of the debtor's principal residence shall be the fair market value of such residence on the date such value is determined.”.

SEC. 104. COMBATING EXCESSIVE FEES.

Section 1322(c) of title 11, United States Code, is amended—

(1) in paragraph (1) by striking “and” at the end,

(2) in paragraph (2) by striking the period at the end and inserting a semicolon, and

(3) by adding at the end the following:

“(3) the debtor, the debtor's property, and property of the estate are not liable for a fee, cost, or charge that is incurred while the case is pending and arises from a debt that is secured by the debtor's principal residence except to the extent that—

“(A) the holder of the claim for such debt files with the court and serves on the trustee, the debtor, and the debtor's attorney (annually or, in order to permit filing consistent with clause (ii), at such more frequent periodicity as the court determines necessary) notice of such fee, cost, or charge before the earlier of—

“(i) 1 year after such fee, cost, or charge is incurred; or

“(ii) 60 days before the closing of the case; and

“(B) such fee, cost, or charge—

“(i) is lawful under applicable nonbankruptcy law, reasonable, and provided for in the applicable security agreement; and

“(ii) is secured by property the value of which is greater than the amount of such claim, including such fee, cost, or charge;

“(4) the failure of a party to give notice described in paragraph (3) shall be deemed a waiver of any claim for fees, costs, or charges described in paragraph (3) for all purposes, and any attempt to collect such fees, costs, or charges shall constitute a violation of section 524(a)(2) or, if the violation occurs before the date of discharge, of section 362(a); and

“(5) a plan may provide for the waiver of any prepayment penalty on a claim secured by the debtor's principal residence.”.

SEC. 105. CONFIRMATION OF PLAN.

Section 1325(a) of title 11, United States Code, is amended—

(1) in paragraph (5) by inserting “except as otherwise provided in section 1322(b)(11),” after “(5)”,

(2) in paragraph (8) by striking “and” at the end,

(3) in paragraph (9) by striking the period at the end and inserting a semicolon, and

(4) by inserting after paragraph (9) the following:

“(10) notwithstanding subclause (I) of paragraph (5)(B)(i), whenever the plan modifies a

claim in accordance with section 1322(b)(11), the holder of a claim whose rights are modified pursuant to section 1322(b)(11) shall retain the lien until the later of—

“(A) the payment of such holder's allowed secured claim; or

“(B) completion of all payments under the plan (or, if applicable, receipt of a discharge under section 1328(b)); and

“(11) whenever the plan modifies a claim in accordance with section 1322(b)(11), the court finds that such modification is in good faith and does not find that the debtor has been convicted of obtaining by actual fraud the extension, renewal, or refinancing of credit that gives rise to a modified claim.”.

SEC. 106. DISCHARGE.

Section 1328(a) of title 11, United States Code, is amended—

(1) by inserting “(other than payments to holders of claims whose rights are modified under section 1322(b)(11))” after “paid”, and

(2) in paragraph (1) by inserting “or, to the extent of the unpaid portion of an allowed secured claim, provided for in section 1322(b)(11)” after “1322(b)(5)”.

SEC. 107. STANDING TRUSTEE FEES.

(a) AMENDMENT TO TITLE 28.—Section 586(e)(1)(B)(i) of title 28, United States Code, is amended—

(1) by inserting “(I) except as provided in subparagraph (II)” after “(i)”,

(2) by striking “or” at the end and inserting “and”, and

(3) by adding at the end the following:

“(II) 4 percent with respect to payments received under section 1322(b)(11) of title 11 by the individual as a result of the operation of section 1322(b)(11)(D) of title 11, unless the bankruptcy court waives all fees with respect to such payments based on a determination that such individual has income less than 150 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved and payment of such fees would render the debtor's plan infeasible.”.

(b) CONFORMING PROVISION.—The amendments made by this section shall apply to any trustee to whom the provisions of section 302(d)(3) of the Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (Public Law 99-554; 100 Stat. 3121) apply.

SEC. 108. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—Except as provided in subsection (b), this subtitle and the amendments made by this subtitle shall take effect on the date of the enactment of this Act.

(b) APPLICATION OF AMENDMENTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this subtitle shall apply with respect to cases commenced under title 11 of the United States Code before, on, or after the date of the enactment of this Act.

(2) LIMITATION.—Paragraph (1) shall not apply with respect to cases closed under title 11 of the United States Code as of the date of the enactment of this Act that are neither pending on appeal in, nor appealable to, any court of the United States.

Subtitle B—Related Mortgage Modification Provisions

SEC. 121. ADJUSTMENTS AS A RESULT OF MODIFICATION IN BANKRUPTCY OF HOUSING LOANS GUARANTEED BY THE DEPARTMENT OF VETERANS AFFAIRS.

(a) IN GENERAL.—Subsection (a) of section 3732 of title 38, United States Code is amended—

(1) in subsection (a)—

(A) by redesignating paragraph (2) as subparagraph (A) of paragraph (2), and

(2) by inserting after subparagraph (A) the following new subparagraph:

“(B) In the event that a housing loan guaranteed under this chapter is modified under the authority provided under section 1322(b) of title 11, United States Code, the Secretary may pay the holder of the obligation the unpaid balance of the obligation due as of the date of the filing of the petition under title 11, United States Code, plus accrued interest, but only upon the assignment, transfer, and delivery to the Secretary (in a form and manner satisfactory to the Secretary) of all rights, interest, claims, evidence, and records with respect to the housing loan.”.

(b) MATURITY OF HOUSING LOANS.—Paragraph (1) of section (d) of section 3703 of title 38, United States Code, is amended by inserting “at the time of origination” after “loan”.

(c) IMPLEMENTATION.—The Secretary of Veterans Affairs may implement the amendments made by this section through notice, procedure notice, or administrative notice.

SEC. 122. PAYMENT OF FHA MORTGAGE INSURANCE BENEFITS.

(a) IN GENERAL.—Subsection (a) of section 204 of the National Housing Act (12 U.S.C. 1710(a)) is amended—

(1) in paragraph (1), by adding at the end the following new subparagraph:

“(E) MODIFICATION OF MORTGAGE IN BANKRUPTCY.—

“(i) AUTHORITY.—If an order is entered under the authority provided under section 1322(b) of title 11, United States Code, that (a) determines the amount of an allowed secured claim under a mortgage in accordance with section 506(a)(1) of title 11, United States Code, and the amount of such allowed secured claim is less than the amount due under the mortgage as of the date of the filing of the petition under title 11, United States Code, or (b) reduces the interest to be paid under a mortgage in accordance with section 1325 of such title, the Secretary may pay insurance benefits for the mortgage as follows:

“(I) FULL PAYMENT AND ASSIGNMENT.—The Secretary may pay the insurance benefits for the mortgage, but only upon the assignment, transfer, and delivery to the Secretary of all rights, interest, claims, evidence, and records with respect to the mortgage specified in clauses (i) through (iv) of paragraph (1)(A). The insurance benefits shall be paid in the amount equal to the original principal obligation of the mortgage (with such additions and deductions as the Secretary determines are appropriate) which was unpaid upon the date of the filing of by the mortgagor of the petition under title 11 of the United States Code. Nothing in this Act may be construed to prevent the Secretary from providing insurance under this title for a mortgage that has previously been assigned to the Secretary under this subclause. The decision of whether to utilize the authority under this subclause for payment and assignment shall be at the election of the mortgagee, subject to such terms and conditions as the Secretary may establish.

“(II) ASSIGNMENT OF UNSECURED CLAIM.—The Secretary may make a partial payment of the insurance benefits for any unsecured claim under the mortgage, but only upon the assignment to the Secretary of any unsecured claim of the mortgagee against the mortgagor or others arising out of such order. Such assignment shall be deemed valid irrespective of whether such claim has been or will be discharged under title 11 of the United States Code. The insurance benefits shall be paid in the amount specified in subclause (I) of this clause, as such amount

is reduced by the amount of the allowed secured claim. Such allowed secured claim shall continue to be insured under section 203.

“(III) INTEREST PAYMENTS.—The Secretary may make periodic payments, or a one-time payment, of insurance benefits for interest payments that are reduced pursuant to such order, as determined by the Secretary, but only upon assignment to the Secretary of all rights and interest related to such payments.

“(ii) DELIVERY OF EVIDENCE OF ENTRY OF ORDER.—Notwithstanding any other provision of this paragraph, no insurance benefits may be paid pursuant to this subparagraph for a mortgage before delivery to the Secretary of evidence of the entry of the order issued pursuant to title 11, United States Code, in a form satisfactory to the Secretary.”;

(2) in paragraph (5), in the matter preceding subparagraph (A), by inserting after “section 520, and” the following: “, except as provided in paragraph (1)(E).”; and

(3) by adding at the end the following new paragraph:

“(10) LOAN MODIFICATION PROGRAM.—

“(A) AUTHORITY.—The Secretary may carry out a program solely to encourage loan modifications for eligible delinquent mortgages through the payment of insurance benefits and assignment of the mortgage to the Secretary and the subsequent modification of the terms of the mortgage according to a loan modification approved by the mortgagee.

“(B) PAYMENT OF BENEFITS AND ASSIGNMENT.—Under the program under this paragraph, the Secretary may pay insurance benefits for a mortgage, in the amount determined in accordance with paragraph (5)(A), without reduction for any amounts modified, but only upon the assignment, transfer, and delivery to the Secretary of all rights, interest, claims, evidence, and records with respect to the mortgage specified in clauses (i) through (iv) of paragraph (1)(A).

“(C) DISPOSITION.—After modification of a mortgage pursuant to this paragraph, the Secretary may provide insurance under this title for the mortgage. The Secretary may subsequently—

“(i) re-assign the mortgage to the mortgagee under terms and conditions as are agreed to by the mortgagee and the Secretary;

“(ii) act as a Government National Mortgage Association issuer, or contract with an entity for such purpose, in order to pool the mortgage into a Government National Mortgage Association security; or

“(iii) re-sell the mortgage in accordance with any program that has been established for purchase by the Federal Government of mortgages insured under this title, and the Secretary may coordinate standards for interest rate reductions available for loan modification with interest rates established for such purchase.

“(D) LOAN SERVICING.—In carrying out the program under this section, the Secretary may require the existing servicer of a mortgage assigned to the Secretary under the program to continue servicing the mortgage as an agent of the Secretary during the period that the Secretary acquires and holds the mortgage for the purpose of modifying the terms of the mortgage. If the mortgage is resold pursuant to subparagraph (C)(iii), the Secretary may provide for the existing servicer to continue to service the mortgage or may engage another entity to service the mortgage.”;

(b) AMENDMENT TO PARTIAL CLAIM AUTHORITY.—Paragraph (1) of section 230(b) of the National Housing Act (12 U.S.C. 1715u(b)(1)) is amended by striking “12 of the monthly mortgage payments” and inserting “30 per-

cent of the unpaid principal balance of the mortgage”.

(c) IMPLEMENTATION.—The Secretary of Housing and Urban Development may implement the amendments made by this section through notice or mortgagee letter.

SEC. 123. ADJUSTMENTS AS RESULT OF MODIFICATION OF RURAL SINGLE FAMILY HOUSING LOANS IN BANKRUPTCY.

(a) GUARANTEED RURAL HOUSING LOANS.—Subsection (h) of section 502 of the Housing Act of 1949 (42 U.S.C. 1472(h)) is amended—

(1) in paragraph (7)—

(A) in subparagraph (A), by inserting before the period at the end the following: “, unless the maturity date of the loan is modified in a bankruptcy proceeding or at the discretion of the Secretary”; and

(B) in subparagraph (B), by inserting before the semicolon the following: “, unless such rate is modified in a bankruptcy proceeding”;

(2) by redesignating paragraphs (13) and (14) as paragraphs (14) and (15), respectively; and

(3) by inserting after paragraph (12) the following new paragraph:

“(13) PAYMENT OF GUARANTEE.—In addition to all other authorities to pay a guarantee claim, the Secretary may also pay the guaranteed portion of any losses incurred by the holder of a note or the servicer resulting from a modification of a note by a bankruptcy proceeding.”.

(b) INSURED RURAL HOUSING LOANS.—Subsection (j) of section 517 of the Housing Act of 1949 (42 U.S.C. 1487(j)) is amended—

(1) by redesignating paragraphs (2) through (7) as paragraphs (3) through (8), respectively; and

(2) by inserting after paragraph (1) the following new paragraph:

“(2) to pay for losses incurred by holders or servicers in the event of a modification pursuant to a bankruptcy proceeding”.

(c) IMPLEMENTATION.—The Secretary of Agriculture may implement the amendments made by this section through notice, procedure notice, or administrative notice.

SEC. 124. UNENFORCEABILITY OF CERTAIN PROVISION AS BEING CONTRARY TO PUBLIC POLICY.

No provision in any investment contract between a servicer and a securitization vehicle or investor in effect as of the date of enactment of this Act that requires excess bankruptcy losses that exceed a certain dollar amount on residential mortgages to be borne by classes of certificates on a pro rata basis that refers to types of bankruptcy losses that could not have been incurred under the law in effect at the time such contract was entered into shall be enforceable, as such provision shall be contrary to public policy. Notwithstanding this section, such reference to types of bankruptcy losses that could have been incurred under the law in effect at the time such contract was entered into shall be enforceable.

TITLE II—FORECLOSURE MITIGATION AND CREDIT AVAILABILITY

SEC. 201. SERVICER SAFE HARBOR FOR MORTGAGE LOAN MODIFICATIONS.

(a) SAFE HARBOR.—

(1) LOAN MODIFICATIONS AND WORKOUT PLANS.—Notwithstanding any other provision of law, and notwithstanding any investment contract between a servicer and a securitization vehicle or investor, a servicer that acts consistent with the duty set forth in section 129A(a) of Truth in Lending Act (15 U.S.C. 1639a) shall not be liable for entering into a loan modification, workout, or other loss mitigation plan, including, but not limited to, disposition with respect to any such mortgage that meets all of the criteria set forth in paragraph (2)(B) to—

(A) any person, based on that person's ownership of a residential mortgage loan or any interest in a pool of residential mortgage loans or in securities that distribute payments out of the principal, interest and other payments in loans on the pool;

(B) any person who is obligated pursuant to a derivatives instrument to make payments determined in reference to any loan or any interest referred to in subparagraph (A); or

(C) any person that insures any loan or any interest referred to in subparagraph (A) under any law or regulation of the United States or any law or regulation of any State or political subdivision of any State.

(2) ABILITY TO MODIFY MORTGAGES.—

(A) ABILITY.—Notwithstanding any other provision of law, and notwithstanding any investment contract between a servicer and a securitization vehicle or investor, a servicer—

(i) shall not be limited in the ability to modify mortgages, the number of mortgages that can be modified, the frequency of loan modifications, or the range of permissible modifications; and

(ii) shall not be obligated to repurchase loans from or otherwise make payments to the securitization vehicle on account of a modification, workout, or other loss mitigation plan for a residential mortgage or a class of residential mortgages that constitute a part or all of the mortgages in the securitization vehicle,

if any mortgage so modified meets all of the criteria set forth in subparagraph (B).

(B) CRITERIA.—The criteria under this subparagraph with respect to a mortgage are as follows:

(i) Default on the payment of such mortgage has occurred or is reasonably foreseeable.

(ii) The property securing such mortgage is occupied by the mortgagor of such mortgage.

(iii) The servicer reasonably and in good faith believes that the anticipated recovery on the principal outstanding obligation of the mortgage under the particular modification or workout plan or other loss mitigation action will exceed, on a net present value basis, the anticipated recovery on the principal outstanding obligation of the mortgage to be realized through foreclosure.

(3) APPLICABILITY.—This subsection shall apply only with respect to modifications, workouts, and other loss mitigation plans initiated before January 1, 2012.

(b) REPORTING.—Each servicer that engages in loan modifications or workout plans subject to the safe harbor in subsection (a) shall report to the Secretary on a regular basis regarding the extent, scope and results of the servicer's modification activities. The Secretary shall prescribe regulations specifying the form, content, and timing of such reports.

(c) DEFINITION OF SECURITIZATION VEHICLES.—For purposes of this section, the term “securitization vehicle” means a trust, corporation, partnership, limited liability entity, special purpose entity, or other structure that—

(1) is the issuer, or is created by the issuer, of mortgage pass-through certificates, participation certificates, mortgage-backed securities, or other similar securities backed by a pool of assets that includes residential mortgage loans; and

(2) holds such mortgages.

SEC. 202. CHANGES TO HOPE FOR HOMEOWNERS PROGRAM.

(a) PROGRAM CHANGES.—Section 257 of the National Housing Act (12 U.S.C. 1715z–23) is amended—

(1) in subsection (c)—

(A) in the heading for paragraph (1), by striking "THE BOARD" and inserting "SECRETARY";

(B) in paragraph (1), by striking "Board" inserting "Secretary, after consultation with the Board,"; and

(C) by adding after paragraph (2) the following:

"(3) DUTIES OF BOARD.—The Board shall advise the Secretary regarding the establishment and implementation of the HOPE for Homeowners Program."

(2) by striking "Board" each place such term appears in subsections (e), (h)(1), (h)(3), (i), (l), (n), (s)(3), and (v) and inserting "Secretary";

(3) in subsection (e)—

(A) by striking paragraph (1) and inserting the following:

"(1) BORROWER CERTIFICATION.—

"(A) NO INTENTIONAL DEFAULT OR FALSE INFORMATION.—The mortgagor shall provide a certification to the Secretary that the mortgagor has not intentionally defaulted on the existing mortgage or mortgages and has not knowingly, or willfully and with actual knowledge, furnished material information known to be false for the purpose of obtaining the eligible mortgage to be insured.

"(B) LIABILITY FOR REPAYMENT.—The mortgagor shall agree in writing that the mortgagor shall be liable to repay to the Secretary any direct financial benefit achieved from the reduction of indebtedness on the existing mortgage or mortgages on the residence refinanced under this section derived from misrepresentations made by the mortgagor in the certifications and documentation required under this paragraph, subject to the discretion of the Secretary."

(B) in paragraph (7), by striking the semicolon and all that follows through "new second lien";

(C) in paragraph (9)—

(i) by striking "by procuring (A) an income tax return transcript of the income tax return of the mortgagor, or (B)" and inserting "in accordance with procedures and standards that the Secretary shall establish, which may include requiring the mortgagee to procure"; and

(ii) by striking "and by any other method, in accordance with procedures and standards that the Board shall establish"; and

(D) by adding after paragraph (11) the following new paragraph:

"(12) BAN ON MILLIONAIRES.—The mortgagor shall not have a net worth, as of the date the mortgagor first applies for a mortgage to be insured under the Program under this section, that exceeds \$1,000,000."

(4) in subsection (h)(2)—

(A) by striking "The Board shall prohibit the Secretary from paying" and inserting "The Secretary shall not pay"; and

(B) by inserting after the period at the end the following: "In implementing this provision with respect to a failure by a mortgagor to make a first payment, the Secretary shall establish policies and timing of endorsements as consistent as is possible with endorsement policies established with respect to mortgages insured under section 203(b)";

(5) in subsection (i)—

(A) by inserting "after weighing maximization of participation with consideration of collection of premiums," after "Secretary shall";

(B) in paragraph (1), by striking "equal to 3 percent" and inserting "not more than 2 percent"; and

(C) in paragraph (2), by striking "equal to 1.5 percent" and inserting "not more than 1 percent";

(6) in subsection (k)—

(A) by striking the subsection heading and inserting "EXIT FEE";

(B) in paragraph (1), in the matter preceding subparagraph (A), by striking "such sale or refinancing" and inserting "the mortgage being insured under this section"; and

(C) in paragraph (2), by striking "and the mortgagor" and all that follows through the end and inserting "may, upon any sale or disposition of the property to which the mortgage relates, be entitled to up to 50 percent of appreciation, up to the appraised value of the home at the time when the mortgage being refinanced under this section was originally made. The Secretary may share any amounts received under this paragraph with the holder of the eligible mortgage refinanced under this section."

(7) in the heading for subsection (n), by striking "THE BOARD" and inserting "SECRETARY";

(8) in subsection (p), by striking "Under the direction of the Board, the" and inserting "The";

(9) in subsection (s)—

(A) in the first sentence of paragraph (2), by striking "Board of Directors of" and inserting "Advisory Board for"; and

(B) in paragraph (3)(A)(ii), by striking "subsection (e)(1)(B) and such other" and inserting "such";

(10) in subsection (v), by inserting after the period at the end the following: "The Secretary shall conform documents, forms, and procedures for mortgages insured under this section to those in place for mortgages insured under section 203(b) to the maximum extent possible consistent with the requirements of this section."; and

(11) by adding at the end the following new subsections:

"(X) PAYMENT TO EXISTING LOAN SERVICER.—The Secretary may establish a payment to the servicer of the existing senior mortgage for every loan insured under the HOPE for Homeowners Program in an amount, for each such loan, that does not exceed \$1,000.

"(Y) AUCTIONS.—The Secretary, with the concurrence of the Board, shall, if feasible, establish a structure and organize procedures for an auction to refinance eligible mortgages on a wholesale or bulk basis."

(b) REDUCING TARP FUNDS TO OFFSET COSTS OF PROGRAM CHANGES.—Paragraph (3) of section 115(a) of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5225) is amended by inserting "as such amount is reduced by \$2,316,000,000," after "\$700,000,000,000".

SEC. 203. REQUIREMENTS FOR FHA-APPROVED MORTGAGEES.

(a) MORTGAGEE REVIEW BOARD.—Paragraph (2) of section 202(c) of the National Housing Act (12 U.S.C. 1708(c)) is amended—

(1) in subparagraph (E), by inserting "and" after the semicolon;

(2) in subparagraph (F), by striking "and" and inserting a period; and

(3) by striking subparagraph (G).

(b) LIMITATIONS ON PARTICIPATION AND MORTGAGEE APPROVAL AND USE OF NAME.—Section 202 of the National Housing Act (12 U.S.C. 1708) is amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively;

(2) by inserting after subsection (c) the following new subsection:

"(d) LIMITATIONS ON PARTICIPATION IN ORIGINATION AND MORTGAGEE APPROVAL.—

"(1) REQUIREMENT.—Any person or entity that is not approved by the Secretary to serve as a mortgagee, as such term is defined in subsection (c)(7), shall not participate in the origination of an FHA-insured loan except as authorized by the Secretary.

"(2) ELIGIBILITY FOR APPROVAL.—In order to be eligible for approval by the Secretary, an applicant mortgagee shall not be, and

shall not have any officer, partner, director, principal, or employee of the applicant mortgagee who is—

"(A) currently suspended, debarred, under a limited denial of participation (LDP), or otherwise restricted under part 24 or 25 of title 24 of the Code of Federal Regulations, or any successor regulations to such parts, or under similar provisions of any other Federal agency;

"(B) under indictment for, or has been convicted of, an offense that reflects adversely upon the applicant's integrity, competence or fitness to meet the responsibilities of an approved mortgagee;

"(C) subject to unresolved findings contained in a Department of Housing and Urban Development or other governmental audit, investigation, or review;

"(D) engaged in business practices that do not conform to generally accepted practices of prudent mortgagees or that demonstrate irresponsibility;

"(E) convicted of, or who has pled guilty or nolo contendere to, a felony related to participation in the real estate or mortgage loan industry—

"(i) during the 7-year period preceding the date of the application for licensing and registration; or

"(ii) at any time preceding such date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering;

"(F) in violation of provisions of the S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C. 5101 et seq.) or any applicable provision of State law; or

"(G) in violation of any other requirement as established by the Secretary."; and

(3) by adding at the end the following new subsection:

"(h) USE OF NAME.—The Secretary shall, by regulation, require each mortgagee approved by the Secretary for participation in the FHA mortgage insurance programs of the Secretary—

"(1) to use the business name of the mortgagee that is registered with the Secretary in connection with such approval in all advertisements and promotional materials, as such terms are defined by the Secretary, relating to the business of such mortgagee in such mortgage insurance programs; and

"(2) to maintain copies of all such advertisements and promotional materials, in such form and for such period as the Secretary requires."

(c) CHANGE OF STATUS.—The National Housing Act is amended by striking section 532 (12 U.S.C. 1735f-10) and inserting the following new section:

"SEC. 532. CHANGE OF MORTGAGEE STATUS.

"(a) NOTIFICATION.—Upon the occurrence of any action described in subsection (b), an approved mortgagee shall immediately submit to the Secretary, in writing, notification of such occurrence.

"(b) ACTIONS.—The actions described in this subsection are as follows:

"(1) The debarment, suspension of a Limited Denial of Participation (LDP), or application of other sanctions, fines, or penalties applied to the mortgagee or to any officer, partner, director, principal, manager, supervisor, loan processor, loan underwriter, or loan originator of the mortgagee pursuant to applicable provisions of State or Federal law.

"(2) The revocation of a State-issued mortgage loan originator license issued pursuant to the S.A.F.E. Mortgage Licensing Act of 2008 (12 U.S.C. 5101 et seq.) or any other similar declaration of ineligibility pursuant to State law."

(d) CIVIL MONEY PENALTIES.—Section 536 of the National Housing Act (12 U.S.C. 1735f-14) is amended—

(1) in subsection (b)—
 (A) in paragraph (1)—
 (i) in the matter preceding subparagraph (A), by inserting “or any of its owners, officers, or directors” after “mortgagee or lender”;

(ii) in subparagraph (H), by striking “title I” and all that follows through “Act of 1989”) and inserting “title I or II”; and
 (iii) by inserting after subparagraph (J) the following:

“(K) Violation of section 202(d) of this Act (12 U.S.C. 1708(d)).”; and

(B) in paragraph (2)—
 (i) in subparagraph (B), by striking “or” at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting “; or”; and
 (iii) by adding at the end the following new subparagraph:

“(D) causing or participating in any of the violations set forth in paragraph (1) of this subsection.”; and

(2) in subsection (g), by striking “The term” and all that follows through the end of the sentence and inserting “For purposes of this section, a person acts knowingly when a person has actual knowledge of acts or should have known of the acts.”.

(e) EXPANDED REVIEW OF FHA MORTGAGEE APPLICANTS AND NEWLY APPROVED MORTGAGEES.—Not later than the expiration of the 3-month period beginning upon the date of the enactment of this Act, the Secretary of Housing and Urban Development shall—

(1) expand the existing process for reviewing new applicants for approval for participation in the mortgage insurance programs of the Secretary for mortgages on 1- to 4-family residences for the purpose of identifying applicants who represent a high risk to the Mutual Mortgage Insurance Fund; and

(2) implement procedures that, for mortgages approved during the 12-month period ending upon such date of enactment—

(A) expand the number of mortgages originated by such mortgagees that are reviewed for compliance with applicable laws, regulations, and policies; and

(B) include a process for random reviews of such mortgagees and a process for reviews that is based on volume of mortgages originated by such mortgagees.

SEC. 204. ENHANCEMENT OF LIQUIDITY AND STABILITY OF INSURED DEPOSITORY INSTITUTIONS TO ENSURE AVAILABILITY OF CREDIT AND REDUCTION OF FORECLOSURES.

(a) PERMANENT INCREASE IN DEPOSIT INSURANCE.—

(1) AMENDMENTS TO FEDERAL DEPOSIT INSURANCE ACT.—Effective upon the date of the enactment of this Act, section 11(a) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)) is amended—

(A) in paragraph (1)(E), by striking “\$100,000” and inserting “\$250,000”;

(B) in paragraph (1)(F)(i), by striking “2010” and inserting “2015”;

(C) in subclause (I) of paragraph (1)(F)(i), by striking “\$100,000” and inserting “\$250,000”;

(D) in subclause (II) of paragraph (1)(F)(i), by striking “the calendar year preceding the date this subparagraph takes effect under the Federal Deposit Insurance Reform Act of 2005” and inserting “calendar year 2008”; and

(E) in paragraph (3)(A), by striking “, except that \$250,000 shall be substituted for \$100,000 wherever such term appears in such paragraph”.

(2) AMENDMENT TO FEDERAL CREDIT UNION ACT.—Section 207(k) of the Federal Credit Union Act (12 U.S.C. 1787(k)) is amended—

(A) in paragraph (3)—

(i) by striking the opening quotation mark before “\$250,000”;

(ii) by striking “, except that \$250,000 shall be substituted for \$100,000 wherever such term appears in such section”; and

(iii) by striking the closing quotation mark after the closing parenthesis; and

(B) in paragraph (5), by striking “\$100,000” and inserting “\$250,000”.

(3) REPEAL OF EESA PROVISION.—Section 136 of the Emergency Economic Stabilization Act (12 U.S.C. 5241) is hereby repealed.

(b) EXTENSION OF RESTORATION PLAN PERIOD.—Section 7(b)(3)(E)(ii) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(3)(E)(ii)) is amended by striking “5-year period” and inserting “8-year period”.

(c) FDIC AND NCUA BORROWING AUTHORITY.—

(1) FDIC.—Section 14(a) of the Federal Deposit Insurance Act (12 U.S.C. 1824(a)) is amended by striking “\$30,000,000,000” and inserting “\$100,000,000,000”.

(2) NCUA.—Section 203(d)(1) of the Federal Credit Union Act (12 U.S.C. 1783(d)(1)) is amended by striking “\$100,000,000” and inserting “\$6,000,000,000”.

(d) EXPANDING SYSTEMIC RISK SPECIAL ASSESSMENTS.—Section 13(c)(4)(G)(ii) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)(4)(G)(ii)) is amended to read as follows:

“(ii) REPAYMENT OF LOSS.—

“(I) IN GENERAL.—The Corporation shall recover the loss to the Deposit Insurance Fund arising from any action taken or assistance provided with respect to an insured depository institution under clause (i) from 1 or more special assessments on insured depository institutions, depository institution holding companies (with the concurrence of the Secretary of the Treasury with respect to holding companies), or both, as the Corporation determines to be appropriate.

“(II) TREATMENT OF DEPOSITORY INSTITUTION HOLDING COMPANIES.—For purposes of this clause, sections 7(c)(2) and 18(h) shall apply to depository institution holding companies as if they were insured depository institutions.

“(III) REGULATIONS.—The Corporation shall prescribe such regulations as it deems necessary to implement this clause. In prescribing such regulations, defining terms, and setting the appropriate assessment rate or rates, the Corporation shall establish rates sufficient to cover the losses incurred as a result of the actions of the Corporation under clause (i) and shall consider: the types of entities that benefit from any action taken or assistance provided under this subparagraph; economic conditions, the effects on the industry, and such other factors as the Corporation deems appropriate and relevant to the action taken or the assistance provided. Any funds so collected that exceed actual losses shall be placed in the Deposit Insurance Fund.”.

(e) ESTABLISHMENT OF A NATIONAL CREDIT UNION SHARE INSURANCE FUND RESTORATION PLAN PERIOD.—Section 202(c)(2) of the Federal Credit Union Act (12 U.S.C. 1782(c)(2)) is amended by adding at the end the following new subparagraph:

“(D) FUND RESTORATION PLANS.—

“(i) IN GENERAL.—Whenever—

“(I) the Board projects that the equity ratio of the Fund will, within 6 months of such determination, fall below the minimum amount specified in subparagraph (C) for the designated equity ratio; or

“(II) the equity ratio of the Fund actually falls below the minimum amount specified in subparagraph (C) for the equity ratio without any determination under sub-clause (I) having been made,

the Board shall establish and implement a Share Insurance Fund restoration plan within 90 days that meets the requirements of

clause (ii) and such other conditions as the Board determines to be appropriate.

“(ii) REQUIREMENTS OF RESTORATION PLAN.—A Share Insurance Fund restoration plan meets the requirements of this clause if the plan provides that the equity ratio of the Fund will meet or exceed the minimum amount specified in subparagraph (C) for the designated equity ratio before the end of the 5-year period beginning upon the implementation of the plan (or such longer period as the Board may determine to be necessary due to extraordinary circumstances).

“(iii) TRANSPARENCY.—Not more than 30 days after the Board establishes and implements a restoration plan under clause (i), the Board shall publish in the Federal Register a detailed analysis of the factors considered and the basis for the actions taken with regard to the plan.”.

The Acting CHAIR. No amendment to the bill is in order except those printed in House Report 111-21. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent of the amendment, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MS. ZOE LOFGREN OF CALIFORNIA, AS MODIFIED

The Acting CHAIR. It is now in order to consider amendment No. 1 printed in House Report 111-21, as perfected by the modification printed in House Report 111-23.

Ms. ZOE LOFGREN of California. I have this amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Ms. ZOE LOFGREN of California, as modified:

In the table of contents of the bill, in the item relating to section 121, strike “department of veterans affairs” and insert “Department of Veterans Affairs”.

Page 2, after line 6, insert the following (and make such technical and conforming changes as may be appropriate):

SEC. 100. DEFINITION.

Section 101 of title 11, United States Code, is amended by inserting after paragraph (43) the following (and make such technical and conforming changes as may be appropriate):

“(43A) The term ‘qualified loan modification’ means a loan modification agreement made in accordance with the guidelines of the Obama Administration’s Homeowner Affordability and Stability Plan as implemented March 4, 2009, that—
 “(A) reduces the debtor’s payment (including principal and interest, and payments for real estate taxes, hazard insurance, mortgage insurance premium, homeowners’ association dues, ground rent, and special assessments) on a loan secured by a senior security interest in the principal residence of the debtor, to a percentage of the debtor’s income in accordance with such guidelines, without any period of negative amortization or under which the aggregate amount of the regular periodic payments would not fully amortize the outstanding principal amount of such loan;

“(B) requires no fees or charges to be paid by the debtor in order to obtain such modification; and

“(C) permits the debtor to continue to make payments under the modification

agreement notwithstanding the filing of a case under this title, as if such case had not been filed.”.

Beginning on page 7, strike line 6 and all that follows through line 16 on page 8, and insert the following:

“(1) if such residence is sold in the 1st year occurring after the effective date of the plan, 90 percent of the amount of the difference between the sales price and the amount of such claim as originally determined under subsection (b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under such subsection;

“(2) if such residence is sold in the 2d year occurring after the effective date of the plan, 70 percent of the amount of the difference between the sales price and the amount of such claim as originally determined under subsection (b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under such subsection;

“(3) if such residence is sold in the 3d year occurring after the effective date of the plan, 50 percent of the amount of the difference between the sales price and the amount of such claim as originally determined under subsection (b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under such subsection;

“(4) if such residence is sold in the 4th year occurring after the effective date of the plan, 30 percent of the amount of the difference between the sales price and the amount of such claim as originally determined under subsection (b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under such subsection; and

“(5) if such residence is sold in the 5th year occurring after the effective date of the plan, 10 percent of the amount of the difference between the sales price and the amount of such claim as originally determined under subsection (b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under such subsection.”.

Beginning on page 8, strike line 17 and all that follows through line 7 on page 9, and insert the following (and make such technical and conforming changes as may be appropriate):

“(h) With respect to a claim of the kind described in subsection (b)(11), the plan may not contain a modification under the authority of subsection (b)(11)—

“(1) in a case commenced under this chapter after the expiration of the 30-day period beginning on the effective date of this subsection, unless—

“(A) the debtor certifies that the debtor—

“(i) not less than 30 days before the commencement of the case, contacted the holder of such claim (or the entity collecting payments on behalf of such holder) regarding modification of the loan that is the subject of such claim;

“(ii) provided the holder of the claim (or the entity collecting payments on behalf of such holder) a written statement of the debtor's current income, expenses, and debt substantially conforming with the schedules required under section 521(a) or such other form as is promulgated by the Judicial Conference of the United States for such purpose; and

“(iii) considered any qualified loan modification offered to the debtor by the holder of the claim (or the entity collecting payments on behalf of such holder); or

“(B) a foreclosure sale is scheduled to occur on a date in the 30-day period beginning on the date of case is commenced;”.

Page 9, line 24, insert “and, if the issue of value is contested, the court shall determine such value in accordance with the appraisal rules used by the Federal Housing Administration” after “determined”.

Page 11, strike lines 23 through 25, insert the following (and make such technical and conforming changes as may be appropriate):

(1) in the matter preceding paragraph (1) strike “subsection (b)” and insert “subsections (b) and (d)”.

(2) in paragraph (5)—

(A) by inserting “except as otherwise provided in section 1322(b)(11),” after “(5)”, and

(B) in subparagraph (B)(iii)(I) by inserting “(including payments of a claim modified under section 1322(b)(11))” after “payments” the 1st place it appears,

Page 12, line 20, insert the following after “faith”:

(Lack of good faith exists if the debtor has no need for relief under this paragraph because the debtor can pay all of his or her debts and any future payment increases on such debts without difficulty for the foreseeable future, including the positive amortization of mortgage debt. In determining whether a reduction of the principal amount of loan resulting from a modification made under the authority of section 1322(b)(11) is made in good faith, the court shall consider whether the holder of such claim (or the entity collecting payments on behalf of such holder) has offered to the debtor a qualified loan modification that would enable the debtor to pay such debts and such loan without reducing such principal amount.)”.

Page 12, after line 24, insert the following (and make such technical and conforming changes as may be appropriate):

(b) Section 1325 of title 11, United States Code, is amended by adding at the end the following (and make such technical and conforming changes as may be appropriate):

“(d) Notwithstanding section 1322(b)(11)(C)(ii), the court, on request of the debtor or the holder of a claim secured by a senior security interest in the debtor's principal residence, may confirm a plan proposing a reduction in the interest rate on the loan secured by such security interest and that does not reduce the principal, provided the total monthly mortgage payment is reduced to a percentage of the debtor's income in accordance with the guidelines of the Obama Administration's Homeowner Affordability and Stability Plan as implemented March 4, 2009, if, taking into account the debtor's financial situation, after allowance of expenses that would be permitted for a debtor under this chapter subject to paragraph (3) of subsection (b), regardless of whether the debtor is otherwise subject to such paragraph, and taking into account additional debts and fees that are to be paid in this chapter and thereafter, the debtor would be able to prevent foreclosure and pay a fully amortizing 30-year loan at such reduced interest rate without such reduction in principal.”.

Page 15, after line 8, insert the following (and make such technical and conforming changes as may be appropriate):

SEC. 109. GAO STUDY.

The Comptroller General shall carry out a study, and submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate, not later than 2 years after the date of the enactment of this Act a report containing—

(1) the results of such study of—

(A) the number of debtors who filed, during the 1-year period beginning on the date of

the enactment of this Act, cases under chapter 13 of title 11 of the United States Code for the purpose of restructuring their principal residence mortgages,

(B) the number of mortgages restructured under the amendments made by this subtitle that subsequently resulted in default and foreclosure,

(C) a comparison between the effectiveness of mortgages restructured under programs outside of bankruptcy, such as Hope Now and Help for Homeowners, and mortgages restructured under the amendments made by this subtitle,

(D) the number of cases presented to the bankruptcy courts where mortgages were restructured under the amendments made by this subtitle that were appealed,

(E) the number of cases presented to the bankruptcy courts where mortgages were restructured under the amendments made by the subtitle that were overturned on appeal, and

(F) the number of bankruptcy judges disciplined as a result of actions taken to restructure mortgages under the amendments made by this subtitle, and

(2) a recommendation as to whether such amendments should be amended to include a sunset clause.

SEC. 110. REPORT TO CONGRESS.

Not later than 18 months after the date of the enactment of this Act, the Comptroller General, in consultation with the Federal Housing Administration, shall submit to the Congress, a report containing—

(1) a comprehensive review of the effects of the amendments made by this subtitle on bankruptcy court,

(2) a survey of whether the program should limit the types of homeowners eligible for the program., and

(3) a recommendation on whether such amendments should remain in effect.

Page 15, line 15, strike “Subsection (a) of section” and insert “Section”.

Page 25, after line 9, insert the following (and make such technical and conforming changes as may be appropriate):

SEC. 125. MORTGAGE MODIFICATION DATA COLLECTING AND REPORTING.

(a) REPORTING REQUIREMENTS.—Not later than 120 days after the date of the enactment of this Act, and quarterly thereafter, the Comptroller of the Currency, in coordination with the Director of the Office of Thrift Supervision, shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Financial Services of the House of Representatives, and the Joint Economic Committee on the volume of mortgage modifications reported to the Office of the Comptroller of the Currency and the Office of Thrift Supervision, under the mortgage metrics program of each such Office, during the previous quarter, including the following:

(1) A copy of the data collection instrument currently used by the Office of the Comptroller of the Currency and the Office of Thrift Supervision to collect data on loan modifications.

(2) The total number of mortgage modifications resulting in each of the following:

(A) Additions of delinquent payments and fees to loan balances.

(B) Interest rate reductions and freezes.

(C) Term extensions.

(D) Reductions of principal.

(E) Deferrals of principal.

(F) Combinations of modifications described in subparagraph (A), (B), (C), (D), or (E).

(3) The total number of mortgage modifications in which the total monthly principal and interest payment resulted in the following:

- (A) An increase.
- (B) Remained the same.
- (C) Decreased less than 10 percent.
- (D) Decreased between 10 percent and 20 percent.
- (E) Decreased 20 percent or more.

(4) The total number of loans that have been modified and then entered into default, where the loan modification resulted in—

(A) higher monthly payments by the homeowner;

(B) equivalent monthly payments by the homeowner;

(C) lower monthly payments by the homeowner of up to 10 percent;

(D) lower monthly payments by the homeowner of between 10 percent to 20 percent; or

(E) lower monthly payments by the homeowner of more than 20 percent.

(b) DATA COLLECTION.—

(1) REQUIRED.—

(A) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the Comptroller of the Currency and the Director of the Office of Thrift Supervision, shall issue mortgage modification data collection and reporting requirements to institutions covered under the reporting requirement of the mortgage metrics program of the Comptroller or the Director.

(B) INCLUSIVENESS OF COLLECTIONS.—The requirements under subparagraph (A) shall provide for the collection of all mortgage modification data needed by the Comptroller of the Currency and the Director of the Office of Thrift Supervision to fulfill the reporting requirements under subsection (a).

(2) REPORT.—The Comptroller of the Currency shall report all requirements established under paragraph (1) to each committee receiving the report required under subsection (a).

Page 25, line 24, after “disposition” insert the following: “, including any modification or refinancing undertaken pursuant to standard loan modification, sale, or disposition guidelines issued by the Secretary of the Treasury or his designee under the Emergency Economic Stabilization Act of 2008.”

Page 28, strike lines 18 and 19 and insert the following:

(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(2) SECURITIZATION VEHICLE.—The term “securitization vehi-

Page 28, strike line 22 and insert the following:

(A) is the issuer, or is created by the issuer, of

Page 29, strike line 3 and insert the following:

(B) holds such mortgages.

Page 30, line 12, before the period insert the following: “and has not been convicted under Federal or State law for fraud during the 10-year period ending upon the insurance of the mortgage under this section”.

Page 30, after line 23, insert the following:

(B) in paragraph (4)(A), by striking “; subject to standards established by the Board under subparagraph (B).”;

Page 31, line 1, strike lines 1 through 3 and insert the following:

(C) in paragraph (7), by striking “and provided that” and all that follows through “new second lien” and inserting “and except that the Secretary may, under such terms and conditions as the Secretary may establish, permit the establishment of a second lien on a property under an eligible mortgage to be insured, for the purpose of facilitating payment of closing or refinancing costs by a State or locality using funds provided under the HOME Investment Partnerships program under title II of the Cranston-Gonzalez National Affordable Housing Act

(42 U.S.C. 12721 et seq.) or the community development block grants program under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) or by a State or local housing finance agency”;

Page 31, line 4, strike “(C)” and insert “(D)”.

Page 31, line 15, strike “and”.

Page 31, after line 15, insert the following:

(E) by striking subparagraph (10);

(F) in paragraph (11), by inserting before the period at the end the following: “, except that the Secretary may provide exceptions to such latter requirement (relating to present ownership interest) for any mortgagor who has inherited a property or for any mortgagor who has relocated to a new jurisdiction, and is in the process of trying to sell such property or has been unable to sell such property due to adverse market conditions”;

(G) by redesignating paragraph (11) as paragraph (10); and

Page 31, line 16, strike “(D) by adding after paragraph (11)” and insert “(H) by adding at the end”.

Page 31, line 18, strike “(12)” and insert “(11)”.

Page 36, line 6, strike “or employee” and insert “manager, supervisor, loan processor, loan underwriter, or loan originator”.

Page 37, strike the quotation marks in line 19 and all that follows through the end of the line.

Page 37, after line 19, insert the following:

“(3) RULEMAKING AND IMPLEMENTATION.—The Secretary shall conduct a rulemaking to carry out this subsection. The Secretary shall implement this subsection not later than the expiration of the 60-day period beginning upon the date of the enactment of this subsection by notice, mortgagee letter, or interim final regulations, which shall take effect upon issuance.”; and

Page 47, after line 13, insert the following (and make such technical and conforming changes as may be appropriate):

SEC. 205. APPLICATION OF GSE CONFORMING LOAN LIMIT TO MORTGAGES ASSISTED WITH TARP FUNDS.

In making any assistance available to prevent and mitigate foreclosures on residential properties, including any assistance for mortgage modifications, using any amounts made available to the Secretary of the Treasury under title I of the Emergency Economic Stabilization Act of 2008, the Secretary shall provide that the limitation on the maximum original principal obligation of a mortgage that may be modified, refinanced, made, guaranteed, insured, or otherwise assisted, using such amounts shall not be less than the dollar amount limitation on the maximum original principal obligation of a mortgage that may be purchased by the Federal Home Loan Mortgage Corporation that is in effect, at the time that the mortgage is modified, refinanced, made, guaranteed, insured, or otherwise assisted using such amounts, for the area in which the property involved in the transaction is located.

SEC. 206. MORTGAGES ON CERTAIN HOMES ON LEASED LAND.

Section 255(b)(4) of the National Housing Act (12 U.S.C. 1715z–20(b)(4)) is amended by striking subparagraph (B) and inserting:

“(B) under a lease that has a term that ends no earlier than the minimum number of years, as specified by the Secretary, beyond the actuarial life expectancy of the mortgagor or comortgagor, whichever is the later date.”.

SEC. 207. SENSE OF CONGRESS REGARDING MORTGAGE REVENUE BOND PURCHASES.

It is the sense of the Congress that the Secretary of the Treasury should use

amounts made available in this Act to purchase mortgage revenue bonds for single-family housing issued through State housing finance agencies and through units of local government and agencies thereof.

Page 47, at the end of title II, add the following (and conform the table of contents accordingly):

TITLE III—MORTGAGE FRAUD

SEC. 301. SHORT TITLE.

This title may be cited as the “Nationwide Mortgage Fraud Task Force Act of 2009”.

SEC. 302. NATIONWIDE MORTGAGE FRAUD TASK FORCE.

(a) ESTABLISHMENT.—There is established in the Department of Justice the Nationwide Mortgage Fraud Task Force (hereinafter referred to in this section as the “Task Force”) to address mortgage fraud in the United States.

(b) SUPPORT.—The Attorney General shall provide the Task Force with the appropriate staff, administrative support, and other resources necessary to carry out the duties of the Task Force.

(c) EXECUTIVE DIRECTOR.—The Attorney General shall appoint one staff member provided to the Task Force to be the Executive Director of the Task Force and such Executive Director shall ensure that the duties of the Task Force are carried out.

(d) BRANCHES.—The Task Force shall establish, oversee, and direct branches in each of the 10 States determined by the Attorney General to have the highest concentration of mortgage fraud.

(e) MANDATORY FUNCTIONS.—The Task Force, including the branches of the Task Force established under subsection (d), shall—

(1) establish coordinating entities, and solicit the voluntary participation of Federal, State, and local law enforcement and prosecutorial agencies in such entities, to organize initiatives to address mortgage fraud, including initiatives to enforce State mortgage fraud laws and other related Federal and State laws;

(2) provide training to Federal, State, and local law enforcement and prosecutorial agencies with respect to mortgage fraud, including related Federal and State laws;

(3) collect and disseminate data with respect to mortgage fraud, including Federal, State, and local data relating to mortgage fraud investigations and prosecutions; and

(4) perform other functions determined by the Attorney General to enhance the detection of, prevention of, and response to mortgage fraud in the United States.

(f) OPTIONAL FUNCTIONS.—The Task Force, including the branches of the Task Force established under subsection (d), may—

(1) initiate and coordinate Federal mortgage fraud investigations and, through the coordinating entities established under subsection (e), State and local mortgage fraud investigations;

(2) establish a toll-free hotline for—

(A) reporting mortgage fraud;

(B) providing the public with access to information and resources with respect to mortgage fraud; and

(C) directing reports of mortgage fraud to the appropriate Federal, State, and local law enforcement and prosecutorial agency, including to the appropriate branch of the Task Force established under subsection (d);

(3) create a database with respect to suspensions and revocations of mortgage industry licenses and certifications to facilitate the sharing of such information by States;

(4) make recommendations with respect to the need for and resources available to provide the equipment and training necessary for the Task Force to combat mortgage fraud; and

(5) propose legislation to Federal, State, and local legislative bodies with respect to the elimination and prevention of mortgage fraud, including measures to address mortgage loan procedures and property appraiser practices that provide opportunities for mortgage fraud.

(g) DEFINITION.—In this section, the term “mortgage fraud” means a material misstatement, misrepresentation, or omission relating to the property or potential mortgage relied on by an underwriter or lender to fund, purchase, or insure a loan.

Page 47, at the end of the bill, add the following (and conform the table of contents accordingly):

TITLE IV—FORECLOSURE MORATORIUM PROVISIONS

SEC. 401. SENSE OF THE CONGRESS ON FORECLOSURES.

(a) IN GENERAL.—It is the sense of the Congress that mortgage holders, institutions, and mortgage servicers should not initiate a foreclosure proceeding or a foreclosure sale on any homeowner until the foreclosure mitigation provisions, like the Hope for Homeowners program, as required under title II, and the President’s “Homeowner Affordability and Stability Plan” have been implemented and determined to be operational by the Secretary of Housing and Urban Development and the Secretary of the Treasury.

(b) SCOPE OF MORATORIUM.—The foreclosure moratorium referred to in subsection (a) should apply only for first mortgages secured by the owner’s principal dwelling.

(c) FHA-REGULATED LOAN MODIFICATION AGREEMENTS.—If a mortgage holder, institution, or mortgage servicer to which subsection (a) applies reaches a loan modification agreement with a homeowner under the auspices of the Federal Housing Administration before any plan referred to in such subsection takes effect, subsection (a) shall cease to apply to such institution as of the effective date of the loan modification agreement.

(d) DUTY OF CONSUMER TO MAINTAIN PROPERTY.—Any homeowner for whose benefit any foreclosure proceeding or sale is barred under subsection (a) from being instituted, continued, or consummated with respect to any homeowner mortgage should not, with respect to any property securing such mortgage, destroy, damage, or impair such property, allow the property to deteriorate, or commit waste on the property.

(e) DUTY OF CONSUMER TO RESPOND TO REASONABLE INQUIRIES.—Any homeowner for whose benefit any foreclosure proceeding or sale is barred under subsection (a) from being instituted, continued, or consummated with respect to any homeowner mortgage should respond to reasonable inquiries from a creditor or servicer during the period during which such foreclosure proceeding or sale is barred.

The Acting CHAIR. Pursuant to House Resolution 190, the gentlewoman from California (Ms. ZOE LOFGREN) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentlewoman from California.

Ms. ZOE LOFGREN of California. Mr. Chairman, I yield myself such time as I may consume.

(Ms. ZOE LOFGREN of California asked and was given permission to revise and extend her remarks.)

Ms. ZOE LOFGREN of California. Mr. Chairman, this important bill gives families whose home mortgages are in distress a better opportunity to come

to terms with their lender, to bring their mortgage payments in line with prevailing lending rates in the lending market and with prevailing values in the housing market. This is the same opportunity that owners of vacation homes, investment properties, private jets, and luxury yachts have long enjoyed. I think it’s only fair that we offer it now to average families as well. The economic crisis engulfing this country and the world had its start in the housing foreclosure crisis. The Helping Families Save Their Homes Act will begin to address this underlying cause, and it will provide meaningful relief to struggling homeowners.

In developing this legislation, we have benefited at every step of the way from constructive engagement from members on and off the Judiciary Committee, from lenders and brokers, from consumer groups, from bankruptcy judges and trustees. With their help, we’ve reached consensus on a series of significant changes culminating in the manager’s amendment before us today. I should note that the amendment is the Lofgren-Tauscher-Cardoza amendment, and the changes that it encompasses make this a much better bill.

Under the manager’s amendment, the homeowner must notify the lender, submit financial records and work in good faith for at least 30 days to try to modify a mortgage outside of the bankruptcy using the Obama mortgage modification plan outlined yesterday. We provide also that, should those efforts not prove fruitful and as a last resort an individual ends up in Chapter 13 proceedings, the court should utilize the Obama mortgage modification plan as a guideline for the court in reviewing and in helping a homeowner to meet obligations.

We also have required that bankruptcy courts will use the FHA appraisal guidelines, repayment plans, and for equal monthly mortgage payments. If a homeowner sells a home while still under a Chapter 13 payment plan, the lender is going to share in the profit, and that’s only fair. The closer in time of the mortgage modification, the greater the lender’s share, and the manager’s amendment actually further increases the lender’s share at each point over the period.

Homeowners who engage in bad faith, such as filing for bankruptcy when they could really afford to pay their mortgages, will be disqualified for assistance in chapter 13, and a special Justice Department task force is set up to investigate reports of possible mortgage fraud. These are in addition to improvements already made at earlier stages. The changes are all described in greater detail in a summary that was sent to all of your offices today. I have brought copies of a summary with me today.

In short, we have sought to respond in a reasonable manner to every single concern brought to our attention. We’ve achieved a balanced reform that will bring meaningful help to families

in genuine need without costing taxpayers a dime.

The bill is not going to usher in a rash of bankruptcy filings. In fact, by setting up a homeowner-lender negotiating process that begins well before bankruptcy, it is designed to keep more families out of bankruptcy and out of foreclosure. The number of new chapter 13 mortgage modifications that may result will be far less than the number of foreclosures that will be prevented, and preventing foreclosures is the key. That will benefit not only homeowners and their families but also neighborhoods, their communities, their lenders, and the entire American economy.

It’s worth noting that any time there is a foreclosure, the average decline of property values for neighboring property is 9 percent, so this is important to every American to avert these foreclosures.

I thank Mrs. TAUSCHER, Mr. CARDOZA, Mr. MARSHALL, BRAD MILLER, JOHN CONYERS, and all of the other Members who have worked so hard to improve this bill through the manager’s amendment.

I reserve the balance of my time.

Mr. SMITH of Texas. Mr. Chairman, I rise in opposition to the amendment, and I will yield myself such time as I may consume.

Unfortunately, this amendment does little to change the fact that the bankruptcy provisions in this legislation will fail to solve the foreclosure crisis. Some claim the manager’s amendment will narrow the bill’s bankruptcy provisions, but there is nothing in this amendment that meaningfully changes the underlying bill. Meaningful change would have meant a true requirement for bankruptcy petitioners to exhaust other options before going to bankruptcy court.

As Speaker PELOSI observed just this week, “Bankruptcy, by its nature, should require a judge to see that other remedies had been exhausted and that good faith overtures from the lender had not been dismissed by the borrower.”

The manager’s amendment does not do that. Rather, it merely requires that judges consider whether the lender offered the borrower a loan modification when determining whether to approve the borrower’s bankruptcy plan. So a judge is free to consider a loan modification the lender offered and then approve a cramdown despite the lender’s offer. The judge can approve a cramdown even if the borrower signed a pre-bankruptcy modification with the lender and then went shopping for a sweeter deal in bankruptcy.

The manager’s amendment also contains a major loophole that will allow borrowers to avoid any requirement that they contact their lender about a loan modification prior to filing for bankruptcy. Under the manager’s amendment, a borrower can do nothing, fail to seek a qualifying loan modification and still be entitled to get a

bankruptcy cramdown once a foreclosure sale was scheduled. In other words, bankruptcy relief is available to those who fail to seek a loan modification under the Obama plan.

Meaningful change also would have meant substantially narrowing the class of loans eligible for bankruptcy modification. Senator DURBIN, the principal sponsor of the companion legislation in the Senate, has acknowledged the merit and proposals to limit the bill to subprime loans.

[From American Banker, Feb. 27, 2009]

TRANSCRIPT OF REMARKS BY SEN. DURBIN

The following is a transcript of remarks between Sen. Richard Durbin and an American Banker reporter, Tuesday evening after President Obama's speech to Congress.

AB Reporter: "Sen. Durbin, do you have a moment today on bankruptcy reform?"

Sen. Durbin: "Sure."

AB Reporter: "I know that in the House, at least regarding this week, the lenders are still trying to make the restrictions so that you have to exhaust all other recourses before bankruptcy pretty tough, even today I heard about making HUD or one of the regulators certify that you had a modification or something that didn't work before you could go through bankruptcy. What are your thoughts on what the standard ought to be?"

Sen. Durbin: "I think that it is reasonable to require the borrower to be in communication for a reasonable time before they file for bankruptcy. You know if a borrower will not talk to a bank they should not be able to avail themselves but it's really difficult to write into law a measurement of good faith so the best you can do is give them an opportunity to meet. Remember 99% of foreclosed homes end up owned by the bank so it isn't as if they are going to end up coming out ahead if the person's losing their home. They get stuck with \$50,000 in costs and a house to maintain; to protect from vandalism, and to show and try to sell, so the banks ought to be much more forthcoming. Every attempt we've tried, every voluntary attempt we've tried has failed. You have to have this bankruptcy provision as the last resort if there is a failure to negotiate the mortgage."

AB Reporter: "Do you know when the Senate might be taking this up?"

Sen. Durbin: "After the House and we might change it of course. There are variations we're looking at. But I'm willing to restrict this to homeowners to eliminate speculators; to subprime mortgages, only those currently in existence. I want to make this a reasonable limited—"

AB Reporter: "You're willing to limit it to subprime mortgages?"

Sen. Durbin: "We've talked about that as a possibility. But I am willing to negotiate. I want this to be a reasonable approach, but we have to include it. If we don't include it we'll be stuck in the same mess we're in today."

AB Reporter: "What about the time limitation as far as when the loans were originated. I understand there are some who would like to see it limited to loan underwritten in the last few years?"

Sen. Durbin: "My version will not be prospective. So it has to be existing loans."

Mr. Chairman, the manager's amendment makes no attempt to narrow the class of eligible loans. That class is as wide as it ever was. Finally, rather than narrowing the bill, the manager's amendment actually provides that, if the judge doesn't want to give a cramdown, he can just rewrite the

mortgage as a no-interest loan over the full term of a new 30-year mortgage. What a gift and what an insult to those who pay their mortgages on time. The only borrower the manager's amendment suggests should be denied relief is the borrower who "can pay all of his or her debts and any future payment increases on such debts without difficulty for the foreseeable future," but that person will never need to be in bankruptcy court, by definition.

Mr. Chairman, the manager's amendment continues the majority's policy of punishing the successful, taxing the responsible and holding no one accountable. It is unfair for Congress to bail out mortgage lenders and borrowers on the backs of responsible homeowners who continue to pay their mortgages even in these troubled economic times. Clearly, the American people are not willing to pay for their neighbors' irresponsible actions. The manager's amendment hardly narrows the scope of the underlying bill. In some areas, it actually makes it worse. Members should oppose both this amendment and the underlying bill.

Mr. Chairman, I reserve the balance of my time.

Ms. ZOE LOFGREN of California. Mr. Chairman, I would now like to yield 1 minute to the gentleman from Vermont (Mr. WELCH).

Mr. WELCH. Mr. Chairman, it is important to understand that Citigroup supports this bill. Why? They're a huge lender. It's because they understand that we have to stabilize home values in order to begin the recovery, and they need a tool to accomplish it.

So this is about lenders as much as it is about borrowers. Why? Because these mortgages that have been sliced and diced into 40 or 50 different sections make it impossible even for a mortgage company and a borrower, homeowner or a family to come together to resolve the problem that they share together. So this bankruptcy provision, written narrowly so that it is a last resort, is not only fair, but is necessary to lenders as well as to borrowers.

I applaud both committees for the work that they have done.

The Acting CHAIR. Without objection, the gentleman from Virginia (Mr. GOODLATTE) will control the remainder of the time of the gentleman from Texas (Mr. SMITH).

There was no objection.

Mr. GOODLATTE. Mr. Chairman, at this time, I am pleased to yield 1 minute to the gentlewoman from Minnesota (Mrs. BACHMANN).

Mrs. BACHMANN. Mr. Chairman, of the foundational policies of American exceptionalism, the concepts that have inspired our great Nation are the sanctity of private contracts and upholding the rule of law. This cramdown bill crassly undercuts both of these pillars of American exceptionalism.

Why would a lender make a 30-year loan if they fear the powers of the Federal Government will violate the very

terms of that loan? They will only make those loans at a great cost both to the borrower and to our society. Surely as day follows night, we will witness yet another nail in the coffin of home developers who already are reeling under the burden of poisonous government policies.

Experts currently estimate that the additional cost due to this risk of the cramdown bill would raise mortgage rates as much as two full percentage points or would substantially increase required down payments. This is the last thing homeowners need, the last thing our economy needs. There are responsible homeowners all across America who are living within their means, who are making honest representations on their loan applications, who are paying their debts, and who are working hard to achieve the American dream. Let's not disadvantage them.

Ms. ZOE LOFGREN of California. I would just note that yesterday was the anniversary of our Constitution's going into effect, March 4, 1789. In that Constitution was article I, section 8 that provides for bankruptcy.

I would yield 40 seconds to Mr. MARSHALL.

Mr. MARSHALL. Mr. Chairman, there are a number of misconceptions about this bill because it only affects existing mortgages, not home loans in the future. It will have no impact on the cost of borrowing into the future. For all of those homeowners like me who haven't been part of this latest credit crisis, I see my property values declining dramatically, in part, because there are foreclosures and vacancies occurring all over the country.

In essence, what this bill would do is force the parties—the lender and the borrower—without putting any taxpayer dollars in it, to deal with their circumstances without adding more properties vacant on the market, declining home prices that are affecting all Americans. It's good for lenders. It's good for homeowners. It does not pose a risk of an increased cost of credit.

□ 1230

Ms. ZOE LOFGREN of California. Mr. Chairman, I would further yield 1 minute to a member of the committee, Ms. SHEILA JACKSON-LEE of Texas.

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the manager for all of her hard work.

I want to pay tribute to Chairman CONYERS for standing up in early January and insisting that we complete our tasks, and I always come to the floor to say, this is the little guy's day.

I came earlier today to speak of an individual who had foreclosure issues, but as I proceeded to read her case, she actually went into loan modification with her mortgagor, her lender, Countrywide. And isn't it interesting that as her fees were paid and the loan was

supposed to be modified, that some days later, here comes the mortgager with the foreclosure notice or a foreclosure person at her door taking pictures trying to decide what the situation was. Interestingly enough, the house had gone into sale.

These are the unscrupulous types of activities that have come about when there is no binding, if you will, judgment that can come about through the bankruptcy court.

Again, this bill forces no one to pay anything. It takes no money out of the government. All it does is it allows us to treat those fairly who are going into foreclosure.

Mr. Chairman, I rise in strong support of H.R. 1106, "Helping Families Save Their Homes in Bankruptcy Act of 2009." I would like to thank Chairman CONYERS of the House Judiciary Committee and Chairman BARNEY FRANK of the Financial Services Committee for their leadership on this issue. I also would like to thank Arthur D. Sidney of my staff who serves as my able Legislative Director.

Mr. Chairman, I urge my colleagues to support this bill because it provides a viable medium for bankruptcy judges to modify the terms of mortgages held by homeowners who have little recourse but to declare bankruptcy.

This bill could not have come at a more timely moment. This bill is on the floor of the House within weeks after the President's address before the Joint Session of Congress where President Obama outlined his economic plan for America and discussed the current economic situation that this country is facing.

To be sure, there are many economic woes that saddle this country. The statistics are staggering.

Home foreclosures are at an all-time high and they will increase as the recession continues. In 2006, there were 1.2 million foreclosures in the United States, representing an increase of 42 percent over the prior year. During 2007 through 2008, mortgage foreclosures were estimated to result in a whopping \$400 billion worth of defaults and \$100 billion in losses to investors in mortgage securities. This means that one per 62 American households is currently approaching levels not seen since the Depression.

The current economic crisis and the foreclosure blight have affected new home sales and depressed home value generally. New home sales have fallen by about 50 percent. One in six homeowners owes more on a mortgage than the home is worth which raises the possibility of default. Home values have fallen nationwide from an average of 19% from their peak in 2006, and this price plunge has wiped out trillions of dollars in home equity. The tide of foreclosure might become self-perpetuating. The nation could be facing a housing depression—something far worse than a recession.

Obviously, there are substantial societal and economic costs of home foreclosures that adversely impact American families, their neighborhoods, communities and municipalities. A single foreclosure could impose direct costs on local government agencies totaling more than \$34,000.

I am glad that this legislation is finally on the floor of the United States House of Representatives. I have long championed in the first TARP bill that was introduced and signed late last Congress, that language be included to

specifically address the issue of mortgage foreclosures. I had asked that \$100 billion be set aside to address that issue. Now, my idea has been vindicated as the TARP today has included language and we here today are continuing to engage in the dialogue to provide monies to those in mortgage foreclosure. I have also asked for modification of homeowners' existing loans to avoid mortgage foreclosure. I believe that the rules governing these loans should be relaxed. These are indeed tough economic times that require tough measures.

Because of the pervasive home foreclosures, federal legislation is necessary to curb the fallout from the subprime mortgage crisis. For consumers facing a foreclosure sale who want to retain their homes, Chapter 13 of the Bankruptcy Code provides some modicum of protection. The Supreme Court has held that the exception to a Chapter 13's ability to modify the rights of creditors applies even if the mortgage is under-secured. Thus, if a Chapter 13 debtor owes \$300,000 on a mortgage for a home that is worth less than \$200,000, he or she must repay the entire amount in order to keep his or her home, even though the maximum that the mortgage would receive upon foreclosure is the home's value, i.e., \$200,000, less the costs of foreclosure.

Importantly, H.R. 1106 provides for a relaxation of the bankruptcy provisions and waives the mandatory requirement that a debtor must receive credit counseling prior to the filing for bankruptcy relief, under certain circumstances. The waiver applies in a Chapter 13 case where the debtor submits to the court a certification that the debtor has received notice that the holder of a claim secured by the debtor's principal residence may commence a foreclosure proceeding against such residence.

This bill also prohibits claims arising from violations of consumer protection laws. Specifically, this bill amends the Bankruptcy Code to disallow a claim that is subject to any remedy for damages or rescission as a result of the claimant's failure to comply with any applicable requirement under the Truth in Lending Act or other applicable state or federal consumer protection law in effect when the non-compliance took place, notwithstanding the prior entry of a foreclosure judgment.

H.R. 1106 also amends the Bankruptcy Code to permit modification of certain mortgages that are secured by the debtor's principal residence in specified respects. Lastly, the bill provides that the debtor, the debtor's property, and property of the bankruptcy estate are not liable for a fee, cost, or charge incurred while the Chapter 13 case is pending and that arises from a debt secured by the debtor's principal residence, unless the holder of the claim complies with certain requirements.

I have long championed the rights of homeowners, especially those facing mortgage foreclosure. I have worked with the Chairman of the House Judiciary Committee to include language that would relax the bankruptcy provisions to allow those facing mortgage foreclosure to restructure their debt to avoid foreclosure.

Manager's Amendment

Because I have long championed the rights of homeowners facing mortgage foreclosure in the recent TARP bill and before the Judiciary Committee, I have worked with Chairman

CONYERS and his staff to add language that would make the bill stronger and that would help more Americans. I co-sponsored sections of the Manager's Amendment and I urge my colleagues to support the bill.

Specifically, I worked with Chairman CONYERS to ensure that in section 2 of the amendment, section 109(h) of the Bankruptcy Code would be amended to waive the mandatory requirement, under current law, that a debtor receive credit counseling prior to filing for bankruptcy relief. Under the amended language there is now a waiver that will apply where the debtor submits to the court a certification that the debtor has received notice that the holder of a claim secured by the debtor's principal residence may commence a foreclosure proceeding against such residence.

This is important because it affords the debtor the maximum relief without having to undergo a slow credit counseling process. This will help prevent the debtor's credit situation from worsening, potentially spiraling out of control, and result in the eventual loss of his or her home.

Section 4 of the Manager's Amendment relaxes certain Bankruptcy requirements under Chapter 13 so that the debtor can modify the terms of the mortgage secured by his or her primary residence. This is an idea that I have long championed in the TARP legislation—the ability of debtors to modify their existing primary mortgages. Section 4 allows for a modification of the mortgage for a period of up to 40 years. Such modification cannot occur if the debtor fails to certify that it contacted the creditor before filing for bankruptcy. In this way, the language in the Manager's Amendment allows for the creditor to demonstrate that it undertook its "last clear" chance to work out the restructuring of the debt with its creditor before filing bankruptcy.

Importantly, the Manager's Amendment amends the bankruptcy code to provide that a debtor, the debtor's property, and property of the bankruptcy estate are not liable for fees and costs incurred while the Chapter 13 case is pending and that arises from a claim for debt secured by the debtor's principal residence.

Lastly, I worked to get language in the Manager's Amendment that would allow the debtors and creditors to negotiate before a declaration of bankruptcy is made. I made sure that the bill addresses present situations at the time of enactment where homeowners are in the process of mortgage foreclosure. This is done with a view toward consistency, predictability, and a hope that things will improve.

Rules Committee

During this time, debtors and average homeowners found themselves in the midst of a home mortgage foreclosure crisis of unprecedented levels. Many of the mortgage foreclosures were the result of subprime lending practices.

I have worked with my colleagues to strengthen the housing market and the economy, expand affordable mortgage loan opportunities for families at risk of foreclosure, and strengthen consumer protections against risky loans in the future. Unfortunately, problems in the subprime mortgage markets have helped push the housing market into its worst slump in 16 years.

Before the Rules Committee, I offered an amendment that would prevent homeowners

and debtors, who were facing mortgage foreclosure as a result of the unscrupulous and unchecked lending of predatory lenders and financial institutions, from having their mortgage foreclosure count against them in the determination of their credit score. It is an equitable result given that the debtors ultimately faced mortgage foreclosure because of the bad practices of the lender.

Simply put, my amendment would prevent homeowners who have declared mortgage foreclosure as a result of subprime mortgage lending and mortgages from having the foreclosure count against the debtor/homeowner in the determination of the debtor/homeowner's credit score.

Specifically, my amendment language was the following:

SEC. 205. FORBEARANCE IN CREATION OF CREDIT SCORE.

(a) IN GENERAL.—Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681g) is amended by adding at the end the following new subsection:

“(h) FORECLOSURE ON SUBPRIME NOT TAKEN INTO ACCOUNT FOR CREDIT SCORES.—

“(1) IN GENERAL.—A foreclosure on a subprime mortgage of a consumer may not be taken into account by any person in preparing or calculating the credit score (as defined in subsection (f)(2)) for, or with respect to, the consumer.

“(2) SUBPRIME DEFINED.—The term ‘subprime mortgage’ means any consumer credit transaction secured by the principal dwelling of the consumer that bears or otherwise meets the terms and characteristics for such a transaction that the Board has defined as a subprime mortgage.”.

(b) REGULATIONS.—The Board shall prescribe regulations defining a subprime mortgage for purposes of the amendment made by subsection (a) before the end of the 90-day period beginning on the date of the enactment of this Act.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect at the end of the 30-day period beginning on the date of the enactment of this Act and shall apply without regard to the date of the foreclosure.

The homeowners should not be required to pay for the bad acts of the lenders. It would take years for a homeowner to recover from a mortgage foreclosure. My amendment would have strengthened this already much needed and well thought out bill.

I intend to offer a bill later this Congress to address this issue. I am delighted, however, that the Judiciary Committee has expressed their willingness to incorporate my language in the Conference language for this bill. Without a doubt, this issue is important to me and it is critical to Americans who are facing mortgage foreclosure and bankruptcy.

Other Amendments

There were four amendments that were made in order by the Rules Committee. I will address my support or non-support for each amendment.

CONYERS AMENDMENT

I support the Manager's Amendment offered by Chairman CONYERS. The amendment makes sense and makes clear that H.R. 1106 is intended to help those that cannot afford to repay their mortgage without intervention. Indeed it is strength to the underlying bill by providing finality to the decisions worked out by the bankruptcy courts. These decisions would provide finality between lenders and bor-

rowers. Moreover, the debtors are afforded certain protections by the Second Degree Amendment. The Second Degree Amendment provides that the lender could receive additional funding from the sale of the foreclosed home.

The Manager's Amendment would do the following:

(1) require courts to use FHA appraisal guidelines where the fair market value of a home is in dispute;

(2) deny relief to individuals who can afford to repay their mortgages without judicial mortgage modification; and

(3) extend the negotiation period from 15 to 30 days, requiring the debtor to certify that he or she contacted the lender, provided the lender with income, expense and debt statements, and that there was a process for the borrower and lender to seek to reach agreement on a qualified loan modification.

The Conyers Amendment would require a GAO study regarding the effectiveness of mortgage modifications outside of bankruptcy and judicial modifications, whether there should be a sunset, the impact of the amendment on bankruptcy courts, whether relief should be limited to certain types of homeowners. The GAO must analyze how bankruptcy judges restructure mortgages, including the number of judges disciplined as a result of actions taken to restore mortgages.

The Conyers Amendment would clarify that loan modifications, workout plans or other loss mitigation plans are eligible for the servicer safe harbor. Further, it would require HUD to receive public input before implementing certain FHA approval provisions.

With respect to the HOPE for Homeowners Program: recasts the prohibition against having committed fraud over the last 10 years from a freestanding prohibition to a borrower certification. The Conyers Amendment would amend the National Housing Act to broaden eligibility for Home Equity Conversion Mortgage (HECM) or “reverse mortgage.”

Provides that the GAO must submit to Congress a review of the effects of the judicial modification program.

Requires the Comptroller of Currency, in coordination with the Director of Thrift Supervision, to submit reports to Congress on the volume of mortgage modifications and issue modification data collection and reporting requirements.

Expresses the Sense of Congress that the Treasury Secretary should use amounts made available under the Act to purchase mortgage revenue bonds for single-family housing.

Expresses the Sense of Congress that financial institutions should not foreclose on any principal homeowner until the loan modification programs included in H.R. 1106 and the President's foreclosure plan are implemented and deemed operational by the Treasury and HUD Secretaries.

Establishes a Justice Department Nationwide Mortgage Fraud Task Force to coordinate anti-mortgage fraud efforts. Would provide that the Treasury Secretary shall provide that the limit on the maximum original principal obligation of a mortgage that may be modified using EESA funds shall not be less than the dollar limit on the maximum original principal obligation of a mortgage that may be purchased by the Federal Home Loan Mortgage Corporation that is in effect at the time the mortgage is modified.

PRICE, TOM AMENDMENT

I oppose the Price Amendment. The Price Amendment provides that if a homeowner who has had a mortgage modified in a bankruptcy proceeding sells the home at a profit, the lender can recapture the amount of principal lost in the modification.

I oppose the Price Amendment for the following reasons.

First, the Price amendment would make homeowners into renters for life. It will lead to poorly maintained homes and lower property values for all of us. It takes away any incentive for homeowners to maintain their homes or insist on competitive sale prices.

Second, the Manager's Amendment already allows lenders to get back a substantial portion of any amount a home appreciates after bankruptcy. But it leaves in place incentives for homeowners to maintain and improve homes.

Third, the Price Amendment is opposed by the Center for Responsible Lending, Consumers Union, Leadership Conference on Civil Rights, National Association of Consumer Advocates, National Association of Consumer Bankruptcy Attorneys, National Community Reinvestment Coalition, National Consumer Law Center, National Legal Aid and Defender Association, National Policy and Advocacy Council on Homelessness, and USPIRG.

For the foregoing reasons, I oppose the Price Amendment and I urge my colleagues to vote “no” on this amendment.

PETERS, GARY AMENDMENT

I support this amendment. This amendment is straightforward and is intended to help the borrower by providing a last clear chance to garner much needed information. It is my hope that this information would be used to provide financial assistance and education to the consumer.

In many cases, proper education about the use of credit and mortgages could have made all the difference in the consumers choices. Simply put, if the consumers made wise and informed credit decisions in the first instance, they might not have been in bankruptcy or facing foreclosure. I find this amendment incredibly prudent and helpful to debtors and consumers. I urge my colleagues to support this amendment.

TITUS AMENDMENT

The Titus Amendment would require a servicer that receives an incentive payment under the HOPE for homeowners to notify all mortgagors under mortgages they service who are “at-risk homeowners” (as such term is defined by the Secretary), in a form and manner as shall be prescribed by the Secretary, that they may be eligible for the HOPE for Homeowners Program and how to obtain information regarding the program.

The HOPE for Homeowners (H4H) program was created by Congress to help those at risk of default and foreclosure refinance into more affordable, sustainable loans. H4H is an additional mortgage option designed to keep borrowers in their homes.

The program is effective from October 1, 2008 to September 30, 2011.

How the program works

There are four ways that a distressed homeowner could pursue participation in the HOPE for Homeowners program:

1. Homeowners may contact their existing lender and/or a new lender to discuss how to qualify and their eligibility for this program.

2. Servicers working with troubled homeowners may determine that the best solution for avoiding foreclosure is to refinance the homeowner into a HOPE for Homeowners loan.

3. Originating lenders who are looking for ways to refinance potential customers out from under their high-cost loans and/or who are willing to work with servicers to assist distressed homeowners.

4. Counselors who are working with troubled homeowners and their lenders to reach a mutually agreeable solution for avoiding foreclosure.

It is envisioned that the primary way homeowners will initially participate in this program is through the servicing lender on their existing mortgage. Servicers that do not have an underwriting component to their mortgage operations will partner with an FHA-approved lender that does.

Because I am committed to helping Americans obtain homes and remain in their homes, I support the HOPE for Homeowners Program and I support this amendment. I urge my colleagues to support this bill. Indeed, I feel personally vindicated that Congress has set aside a bill to address the issue of mortgage foreclosure, an issue that I have long championed in the 110th Congress.

Housing, Foreclosures, and Texas

Texas ranks 17th in foreclosures. Texas would have fared far worse but for the fact that homeowners enjoy strong constitutional protections under the state's home-equity lending law. These consumer protections include a 3% cap on lender's fees, 80% loan-to-value ratio (compared to many other states that allow borrowers to obtain 125% of their home's value), and mandatory judicial sign-off on any foreclosure proceeding involving a defaulted home-equity loan.

Still, in the last month, in Texas alone there have been 30,720 foreclosures and sadly 15,839 bankruptcies. Much of this has to do with a lack of understanding about finance—especially personal finance.

Last year, American's Personal income decreased \$20.7 billion, or 0.2 percent, and disposable personal income (DPI) decreased \$11.8 billion, or 0.1 percent, in November, according to the Bureau of Economic Analysis. Personal consumption expenditures (PCE) decreased \$56.1 billion, or 0.6 percent. In India, household savings are about 23 percent of their GDP.

Even though the rate of increase has showed some slowing, uncertainties remain. Foreclosures and bankruptcies are high and could still beat last year's numbers.

Home foreclosures are at an all-time high and they will increase as the recession continues. In 2006, there were 1.2 million foreclosures in the United States, representing an increase of 42 percent over the prior year. During 2007 through 2008, mortgage foreclosures were estimated to result in a whopping \$400 billion worth of defaults and \$100 billion in losses to investors in mortgage securities. This means that one per 62 American households is currently approaching levels not seen since the Depression.

The current economic crisis and the foreclosure blight has affected new home sales and depressed home value generally. New home sales have fallen by about 50 percent.

One in six homeowners owes more on a mortgage than the home is worth raising the

possibility of default. Home values have fallen nationwide from an average of 19% from their peak in 2006 and this price plunge has wiped out trillions of dollars in home equity. The tide of foreclosure might become self-perpetuating. The nation could be facing a housing depression—something far worse than a recession.

Obviously, there are substantial societal and economic costs of home foreclosures that adversely impact American families, their neighborhoods, communities and municipalities. A single foreclosure could impose direct costs on local government agencies totaling more than \$34,000.

Recently, the Congress set aside \$100 billion to address the issue of mortgage foreclosure prevention. I have long championed that money be a set aside to address this very important issue. I believe in homeownership and will do all within my power to ensure that Americans remain in their houses.

Bankruptcy

We have come full circle in our discussion today. The bill before us today is on bankruptcy and mortgage foreclosures.

I have long championed in the first TARP bill that was introduced and signed late last Congress, that language be included to specifically address the issue of mortgage foreclosures. I had asked that \$100 billion be set aside to address that issue. Now, my idea has been vindicated as the TARP that was voted upon this week has included language that would give \$100 billion to address the issue of mortgage foreclosure. I am continuing to engage in the dialogue with Leadership to provide monies to those in mortgage foreclosure. I have also asked for modification of homeowners' existing loans to avoid mortgage foreclosure.

I believe that the rules governing these loans should be relaxed. These are indeed tough economic times that require tough measures. Again, I feel a sense of vindication on this point, because this bill, H.R. 1106 addresses this point.

Credit Crunch

A record amount of commercial real estate loans coming due in Texas and nationwide the next three years are at risk of not being renewed or refinanced, which could have dire consequences, industry leaders warn. Texas has approximately \$27 billion in commercial loans coming up for refinancing through 2011, ranking among the top five states, based on data provided by research firms Foresight Analytics LLC and Trepp LLC. Nationally, Foresight Analytics estimates that \$530 billion of commercial debt will mature through 2011. Dallas-Fort Worth has nearly \$9 billion in commercial debt maturing in that time frame.

Most of Texas' \$27 billion in loans maturing through 2011—\$18 billion—is held by financial institutions. Texas also has \$9 billion in commercial mortgage-backed securities, the third-largest amount after California and New York, according to Trepp.

Mr. Chairman, my amendment would have helped alleviate these problems. Although my amendment language was not included in the bill, I am confident that it will be included in the Conference language.

All in all, I believe that this bill is important and will do yeoman's work helping America get back on the right track with respect to the economy and the mortgage foreclosure crisis.

I wholeheartedly urge my colleagues to support this bill.

Mr. GOODLATTE. Mr. Chairman, I yield myself 3 minutes.

First, I'd like to respond to the gentleman from Vermont who said that Citigroup endorsed this legislation. Well, I must tell you the American Banking Association doesn't support this, nor do the community bankers, the bankers who still have their heads above water all across my congressional district and many other districts across the country that are making mortgage loans day in and day out. They don't support this legislation. But a bank that is receiving already tens of billions of dollars in government assistance supports it. That should convince us that this legislation leads us in the right direction?

Then to the gentleman from Georgia, I would point out that the Congress, a number of years ago, created a special Chapter 12 bankruptcy proceeding for farmers, and that was a temporary change in the law as well, as this one is. The gentleman is correct; it only applies to existing mortgages. But that law, created many, many years ago, still exists because it's been extended and extended, and we are at risk of having the same thing happen here, particularly when the mindset is that we should turn to the advice of banks that are failing to tell us a good way to handle a problem that banks that are succeeding say it is a bad, bad practice.

And I also want to speak against this amendment. Far from making bankruptcy a last resort, this gives homeowners two bites at the apple. Even if they obtain the Obama compliant loan modification from their lenders, i.e., workouts that meet the terms of President Obama's mortgage program, they can still go into bankruptcy. Once there, they can shop for a better deal from the bankruptcy court. Lenders, meanwhile, have to honor the already-cut voluntary deals all the way through bankruptcy.

At the end of the case, the homeowner keeps whichever deal is sweeter. That's not making bankruptcy a last resort. That's guaranteeing abuse of both voluntary modification and bankruptcy. We're going to see a run on the bankruptcy courts if this legislation is adopted.

Meanwhile, what happens to the borrower who rejects an offer meeting President Obama's terms? Nothing. The bankruptcy court can theoretically refuse to confirm a borrower's cramdown plan, but under the terms of the amendment, that will likely happen only when the lender offered a modification without a voluntary cramdown and the borrower has no need for bankruptcy relief anyway.

And what about borrowers who are within 30 days of foreclosure sales? They don't even have to contact their lenders about voluntary modifications. So none of the amendment modifications do not apply.

The new manager's amendment does nothing to change this exception that

swallows the whole bill. As a result, borrowers who may have entered into mortgages that they shouldn't have in the first place, and bankruptcy attorneys can game the system by simply waiting until borrowers are within the 30 days of a foreclosure sale to file for bankruptcy.

I reserve the balance of my time.

Ms. ZOE LOFGREN of California. Mr. Chairman, I would just note that the National Association of Community Development Credit Unions has announced their support of this measure as altered.

I yield 2 minutes to the gentleman from North Carolina (Mr. MILLER), who's worked so hard on this measure, who was the author of the underlying bill in the last Congress.

Mr. MILLER of North Carolina. Mr. Chairman, this has been a pretty remarkable debate. We've heard we're now going down a dangerous road, and we'll begin the modification or altering contracts in court. Mr. Chairman, that is what bankruptcy does. That is the rule of law. We do enforce contracts. Except when people get hopelessly in debt, we allow them to draw a line to pay what they can, and then to get a fresh start in life. That's what bankruptcy does.

In fact, home mortgages is the only kind of debt that can't be modified, and it is not because that was brought down on stone tablets from Mount Sinai. That exception is just a special-interest give which we see around here all the time. In 1978, the mortgage industry got that exception as a special-interest provision.

We've heard that this will result in arbitrary modifications. No. There are more than a million bankruptcy cases a year. We have a pretty good idea what bankruptcy judges are going to do. They're going to do the same thing with this kind of interest that they do with every other, including family farms, and this is exactly like the treatment of family farms.

We've heard it will help speculators. No. Speculators already can be helped. Investors already can modify their mortgage in bankruptcy. It is only people who live in their homes who can't get relief. We've heard it will help people who bought too much house. No. If you can't afford a 100-percent mortgage at higher than the prime rate, it doesn't help you.

The most infuriating argument is that the opposition is really not about helping the banking industry and the securities industry. It's all about helping the little people that's going to increase interest rates on the little people. Mr. Chairman, I have been hearing that the whole time I have been in Congress. It's never been about helping the banks get rich, according to the banks. It's always been about helping the little people. No matter how crooked their business practices may seem on their face, it's always something they need to do to help the little people.

Here's a reality. Two years ago, just a couple years ago, 40 percent of all

corporate profits were for the financial services' sector, 40 percent. That's after all of their salaries and their bonuses and their \$50 million corporate jets and their golf tournaments and everything else.

The Acting CHAIR. The time of the gentleman has expired.

Ms. ZOE LOFGREN of California. Mr. Chairman, I would yield the gentleman an additional 15 seconds.

Mr. MILLER of North Carolina. This amendment simply gives lenders one last chance to make a voluntary modification. That is undoubtedly better for a borrower to get a voluntary modification rather than having to go through bankruptcy.

I support this amendment.

Mr. GOODLATTE. Mr. Chairman, I yield myself 30 seconds.

First, I say to the gentlewoman from California that the largest credit union association in the world, Credit Union National Association, a member-owned collection of credit unions around the United States, strongly opposes this legislation. When we talk about the "little people" and the organizations that reach out and help people day-to-day with loans, they know the impact that this will have.

And secondly, to the gentleman from North Carolina, the fact of the matter is cramdowns were entirely prohibited going back to the 1898 law. So for more than 100 years, when they liberalized in other areas, they simply continued in this area. It's not true that they have only prohibited cramdowns since 1978.

Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. KING).

Mr. KING of Iowa. I thank the gentleman from Virginia for yielding.

Mr. Chairman, this amendment before us allows for actual fraud, misrepresentation or obtaining a loan or refinancing by false pretenses. It's specific. We passed an amendment in the Judiciary Committee that prohibited such things, but the language has been changed after the fact. The language has been changed now so that it reads that the court does not find that the debtor has been convicted of obtaining—by actual fraud—the extension, renewal or refinancing of credit that gives rise to a modification claim.

In other words, whatever kind of fraud and misrepresentation or false pretenses might be used, it's not going to be considered by a cramdown court unless there is an actual conviction. That's a breathtaking position to take in print here in the United States Congress.

I think this cramdown, when you break the contract, you allow a judge—a judge perhaps yet to be appointed, a judge with a different idea on what a contract is—to break that contract, sever it apart, and readjust the principal and the interest to meet what the judge believes is convenient to the borrower and give them two bites at the apple and let them pick whatever is the best deal for them?

I can tell you what happens, Mr. Chairman, and that is this: The degree

of risk must be proportional to the potential for profit. That's the business equation. Lenders will not loan money unless they have a prospective profit on the other side of this.

So that means that they're going to ask for more down money, and they're going to ask for more interest, and there will be fewer people owning homes, not more. There may be some temporary relief over this window over the next couple of years, and maybe this economy comes back around. But the long run is this: We'll have fewer homeowners, not more. The price for that will end up being more public housing, not less, to replace the homeowners that aren't able to own their own home.

This is the public housing promotion bill in the end. That's where it takes us. It was misplaced thinking to pass the Community Reinvestment Act, it's misplaced thinking not to hold Fannie and Freddie, and it's misplaced thinking to push this cramdown.

Ms. ZOE LOFGREN of California. Mr. Chairman, may I inquire as to the time remaining on each side?

The Acting CHAIR. The gentlelady from California has 5¾ minutes, and the gentleman from Virginia has 4½ minutes.

Ms. ZOE LOFGREN of California. Mr. Chairman, I yield to the gentleman from Florida (Mr. MEEK) 1 minute.

Mr. MEEK of Florida. Mr. Chairman, I just want to let the Members know on this great piece of legislation and this amendment that we're debating now that we have a mortgage fraud task force to be created in the Department of Justice.

This same language passed this House 350-23 in the last Congress. I think it's important, with this Nationwide task force, we have a number of communities and a number of victims of those individuals that have obtained loans and tried to get even second loans to be able to save their homes, they find themselves falling to these predators that are out there now.

This task force will be a voluntary participation between Federal, State and local law enforcement officials to be able to close down on these individuals. In my State of Florida, we came in first in 2006, 2007, 2008 of having these mortgage fraud individuals carrying out their acts against Floridians. I think it's also important that the increase was 168 percent in Florida. And as we look at making sure that we protect not only the borrower but also making sure that lenders can be trusted in this process, that we do have bad apples amongst the lending community.

I thank you for allowing me this minute.

Mr. GOODLATTE. Mr. Chairman, at this time I am pleased to yield 1½ minutes to the gentleman from Georgia (Mr. PRICE).

Mr. PRICE of Georgia. I thank the gentleman for yielding. I want to thank him for his leadership on this issue.

Mr. Chairman, I rise to just point out a couple fallacies on the arguments on the other side.

I think it's important that everybody appreciate why this law is in place in the first place, why isn't cramdown allowed in a bankruptcy on a primary residence. And the reason, Mr. Chairman, as you well know, is that it's to encourage primary residence ownership. If lenders don't know what amount of principal they are going to be able to get back on any loan, then they will not be encouraged to loan men and women across this Nation money to purchase a primary reason. That's why. It's very simple.

So what this will do is make it so there will be less money available for homeowner purchasers, there will be less money available for individuals to gain their primary residence.

Higher interest rates will certainly occur. The gentleman from Vermont, I chuckled when he said that Citigroup was supporting this. Well, as has been said in the past, Mr. Chairman, "Surprise, surprise, surprise." Citigroup is supporting it because it gets billions of dollars from the Federal Government. What can it do? In this political economy, under this leadership and this administration, in this political economy, politicians are directing who the winners and losers are, who gets money; and consequently, Citigroup can do nothing but support what this majority and this administration wants.

It's a political economy. It's not a market economy. We need to return to a market economy so that the American people can realize their hopes and dreams and make it so that more individuals are able to purchase their primary residence without the imposition of the Federal Government.

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Ms. ZOE LOFGREN of California. Mr. Chairman, I would like to yield 15 seconds to Mr. MARSHALL.

Mr. MARSHALL. To the gentlemen from Georgia and Virginia, again, this only applies to existing debt. Even if the bill is extended, its terms only apply to existing debt now. You would have to change that for it to apply to future loans.

The argument, if it's valid at all—and there is, frankly, scholarship to the contrary—but the argument that the price of a home mortgage has gone up just doesn't hold water.

Ms. ZOE LOFGREN of California. Mr. Chairman, I yield 1 minute to a member of the committee, Mr. MAFFEI.

Mr. MAFFEI. I thank the gentlewoman for yielding and for her leadership on this bill.

I, too, had some hesitation about broadening the bankruptcy judges' jurisdiction on this. But what I did was I listened to the other side and I worked with the gentlewoman from California and the distinguished chairman from Michigan, and we were able to get a lot of changes in this bill—and particu-

larly in this manager's amendment—that would make sure that the lender and the borrower would get together, that there would be a safe haven to protect banks and make sure that they could, in fact, renegotiate these loans, and to keep anyone from using this for anything but an absolute last resort. However, as a last resort, it's a necessary, because if we don't have this, then whatever the borrower does, they may not have recourse.

In my district, this is not the biggest problem, foreclosures are not the biggest thing. But yet, even if one family comes to me and says, we're desperate, we have to declare bankruptcy, and if we had a second home, it would be covered, if we had a yacht, it would be covered, but our first home would not be covered, that's a very difficult thing to explain. So I support the manager's amendment.

Ms. ZOE LOFGREN of California. Let me mention one point that has been discussed, which is the potential that enacting this legislation would somehow impact future interest rates for principal mortgages.

I would like to mention that Mark Zandi, who was Senator John McCain's economic adviser during his campaign for President, said this: "Given that the total cost of foreclosure to lenders is much greater than that associated with Chapter 13 bankruptcy, there is no reason to believe that the cost of mortgage credit across all mortgage loan products should rise."

I think that this is a bogus argument. And I think that if we don't act to provide fairness to this system, we will be letting down our constituents, and once again, the little guy will lose.

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLATTE. Mr. Chairman, I yield myself 1 minute.

Some of the other issues raised in this manager's amendment that need to be pointed out are that the amendment provides an alternative to cramdown of principal, but astoundingly the alternative is free money. If the judge does not want to give a cramdown, he can just rewrite the mortgage as a no-interest loan over the full term of a new 30-year deal. Now, just like there's no such thing as a free lunch, there's no such thing as free money for banks or credit unions to lend to the people who come to them.

So while the gentleman—in fact, several have made the point that this only applies to existing mortgages. The fact of the matter is the money to pay for the modifications that are made here has got to come from someplace. And while I remain concerned that all you would have to do in the future would be to advance the enactment date—everything else in the law would be the same—so you could continue this policy and make it permanent, even if you didn't, money from future borrowers is what's going to be used to fund these changes in current mortgages. It's wrong.

Ms. ZOE LOFGREN of California. Mr. Chairman, may I inquire as to how much time remains on each side.

The Acting CHAIR. The gentlelady from California has 3 minutes remaining and the gentleman from Virginia has 2 minutes remaining.

Ms. ZOE LOFGREN of California. I would like to yield 1 minute to the gentleman from Georgia (Mr. MARSHALL) at this point.

Mr. MARSHALL. In reply to my friend from Virginia, in his observation that, in fact, there are going to be losses and those losses that might be incurred as a result of foreclosures for less than the amount of the loan, all the expenses that are involved in attempting a foreclosure, the expenses associated with maintaining vacant properties—which are huge, by the way—all of those losses could wind up causing credit to increase in the future. Obviously, I described those losses the way I did because, frankly, having a bankruptcy write down is similar to the other kinds of losses that are associated with a foreclosure setting, a setting in which there is a distressed property. And in most instances, the result for the creditor in a bankruptcy process is less expensive than in other processes available to creditors in circumstances like these.

Bottom line, if we can limit these vacancies, we limit the falling home values, which helps the portfolios of most of the lenders that I know.

Mr. GOODLATTE. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, the bottom line, in response to the gentleman from Georgia's argument, is that his case is the strongest one for leaving the bankruptcy laws the way they are because the incentives already exist for them to avoid the cost that he described. So somebody who is struggling right now with their mortgage payments, the incentive exists for them to work with the financial institution and for the financial institution to work with them so they don't face the uncertainties that occur in bankruptcy court.

So, the bottom line is that what this is going to do is it's going to pass along to future people who want to buy homes, whether the law is extended in the future or not, the cost that will be borne by credit unions and community banks and others who are making these mortgages today—they have to cover costs that are unanticipated when they made the mortgages—they're going to have to pass them along in the future. To the extent that they can voluntarily work that out with the existing homeowner, that is the best solution. But that occurs right now and that incentive exists right now under the law. To change the law in the manner that's provided for here, even with the changes in this amendment, simply does not work. And it does not give the assurance to those who said that there needs to be a second chance, a second opportunity to negotiate between the lender and the homeowner voluntarily

because, as I pointed out earlier, any clever bankruptcy attorney will advise his client to simply wait until they're within 30 days of foreclosure, then they don't have to engage in that, they can go straight to the bankruptcy court, bypass exactly what he was calling for happening, and go to the court and see what they can accomplish there under this very, very harmful law from the standpoint of the health of currently healthy banking institutions.

So I urge my colleagues to oppose this amendment and to oppose the underlying bill. This is not the way to keep a healthy system by allowing people to continue to borrow and buy homes.

Ms. ZOE LOFGREN of California. Mr. Chairman, I yield 30 seconds to the gentleman from Georgia, who, I would like to point out, was actually, in his prior life before Congress, an expert in this area of the law.

Mr. MARSHALL. Again, to my friend from Virginia, the bankruptcy process is set up so that the creditor receives, essentially in fair value, the treatment that the creditor otherwise would have received.

And the reality is, in most instances—almost all instances—debtors who default on their mortgages have already got huge problems with other creditors and other debt, and lenders typically know that it's just throwing good money after bad to spend an awful lot of time on workouts. And that's why we've seen the programs that we've put in place thus far in an attempt to stem the foreclosures and the vacancies that are hurting all of us, those programs aren't working, and it's in large part because these debtors need relief from bankruptcy. Outside bankruptcy, for the most part it is just not going to work.

Ms. ZOE LOFGREN of California. Mr. Chairman, I yield myself the remaining time.

Nearly six million households are facing the possibility of foreclosure in our country. And as a result, responsible families who did everything right, who have a traditional mortgage, are facing foreclosure or their neighborhoods are struggling. It's estimated that each foreclosed home reduces the price of the surrounding property—people who did nothing wrong—by 9 percent, or sometimes more. That's when the meth dealers move that is the "sometimes more."

This bill takes a number of steps. We've talked about bankruptcy, but that's just a small part of it. It provides a safe harbor for servicers to modify loans. It increases the FDIC insured rate for banks. It makes improvements to the HOPE for Homeowners Program. But it also narrowly affects the exemption for primary residences under Chapter 13.

As has been pointed out, speculators can go into Chapter 13 and get complete relief; it's only the individual homeowner who is not able to get that relief. That's just not fair. There's no

way you can possibly defend how that is fair, that the big guys and the speculators get their way, but the individual struggling homeowner does not.

We have worked very hard in these last few weeks to narrow this provision, to listen to every objection that was honestly made, that was credible, and to accommodate it. This amendment is a consensus measure that makes the bill better. I urge its passage.

Mr. CONYERS. Mr. Chair, Title I of H.R. 1106, the Helping Families Save Their Homes Act of 2009, is based in part on H.R. 200, legislation approved by the Judiciary Committee last month to give families whose home mortgage is in distress a better opportunity to come to terms with their lender on workable payment terms—more realistically based on current market interest rates and current home market values.

Because the provisions in title I of this bill differ in a number of respects from H.R. 200 as reported, and differ further with the adoption of the manager's amendment, I am inserting in the RECORD a section-by-section analysis of this bill, as a further supplement to the legislative history in the floor debate today and last week, and in the hearings and committee report for H.R. 200.

H.R. 1106, THE "HELPING FAMILIES SAVE THEIR HOMES ACT OF 2009," SECTION-BY-SECTION EXPLANATION (AS AMENDED BY THE REVISED MANAGER'S AMENDMENT)

Section 1. Short Title; Table of Contents. Subsection (a) sets forth the short title of this Act as the "Helping Families Save Their Homes Act of 2009." Subsection (b) consists of the table of contents.

TITLE I—PREVENTION OF MORTGAGE FORECLOSURES

Subtitle A—Modification of residential mortgages

Section 100. Bankruptcy Code section 101 defines various terms. Section 100 amends this provision to add a definition of "qualified loan modification," which is defined as a loan modification agreement made in accordance with the guidelines of the Obama Administration's Homeowner Affordability and Stability Plan, as implemented on March 4, 2009 with respect to a loan secured by a senior security interest in the debtor's principal residence. To qualify as such, the agreement must reduce the debtor's mortgage payment (including principal and interest) and payments for various other specified expenses (i.e., real estate taxes, hazard insurance, mortgage insurance premium, homeowners' association dues, ground rent, and special assessments) to a percentage of the debtor's income in accordance with such guidelines. The payment may not include any period of negative amortization and it must fully amortize the outstanding mortgage principal. In addition, the agreement must not require the debtor to pay any fees or charges to obtain the modification. And, the agreement must permit the debtor to continue to make these payments notwithstanding the debtor having filed a bankruptcy case as if he or she had not filed for such relief.

Section 101. Eligibility for Relief. Bankruptcy Code section 109(e) sets forth secured and unsecured debt limits to establish a debtor's eligibility for relief under chapter 13. Section 101 of the Act amends this provision to provide that the computation of debts does not include the secured or unsecured portions of debts secured by the debtor's principal residence, under certain cir-

cumstances. The exception applies if the value of the debtor's principal residence as of the date of the order for relief under chapter 13 is less than the applicable maximum amount of the secured debt limit specified in section 109(e). Alternatively, the exception applies if the debtor's principal residence was sold in foreclosure or the debtor surrendered such residence to the creditor and the value of such residence as of the date of the order for relief under chapter 13 is less than the secured debt limit specified in section 109(e). This amendment is not intended to create personal liability on a debt if there would not otherwise be personal liability on such debt.

In addition, section 101 amends Bankruptcy Code section 109(h) to waive the mandatory requirement that a debtor receive credit counseling prior to filing for bankruptcy relief, under certain circumstances. The waiver applies in a chapter 13 case where the debtor submits to the court a certification that the debtor has received notice that the holder of a claim secured by the debtor's principal residence may commence (or has commenced) a foreclosure proceeding against such residence.

Section 102. Prohibiting Claims Arising from Violations of the Truth in Lending Act. Under the Truth in Lending Act, a mortgagor has a right of rescission with respect to a mortgage secured by his or her residence, under certain circumstances. Bankruptcy Code section 502(b) enumerates various claims of creditors that are not entitled to payment in a bankruptcy case, subject to certain exceptions. Section 102 amends Bankruptcy Code section 502(b) to provide that a claim for a loan secured by a security interest in the debtor's principal residence is not entitled to payment in a bankruptcy case to the extent that such claim is subject to a remedy for rescission under the Truth in Lending Act, notwithstanding the prior entry of a foreclosure judgment. In addition, section 102 specifies that nothing in this provision may be construed to modify, impair, or supersede any other right of the debtor.

Section 103. Authority to Modify Certain Mortgages. Under Bankruptcy Code section 1322(b)(2), a chapter 13 plan may not modify the terms of a mortgage secured solely by real property that is the debtor's principal residence. Section 103 amends Bankruptcy Code section 1322(b) to create a limited exception to this prohibition. The exception only applies to a mortgage that: (1) originated before the effective date of this provision; and (2) is the subject of a notice that a foreclosure may be (or has been) commenced with respect to such mortgage.

In addition, the debtor must certify pursuant to new section 1322(h) that he or she contacted—not less than 30 days before filing for bankruptcy relief—the mortgagee (or the entity collecting payments on behalf of such mortgagee) regarding modification of the mortgage. The debtor must also certify that he or she provided the mortgagee (or the entity collecting payments on behalf of such mortgagee) a written statement of the debtor's current income, expenses, and debt in a format that substantially conforms with the schedules required under Bankruptcy Code section 521 or with such other form as promulgated by the Judicial Conference of the United States. Further, the certification must include a statement that the debtor considered any qualified loan modification offered to the debtor by the mortgagee (or the entity collecting payments on behalf of such holder). This requirement does not apply if the foreclosure sale is scheduled to occur within 30 days of the date on which the debtor files for bankruptcy relief. If the chapter 13 case is pending at the time new section 1322(h) becomes effective, then the

debtor must certify that he or she attempted to contact the mortgagee (or the entity collecting payments on behalf of such mortgagee) regarding modification of the mortgage before either: (1) filing a plan under Bankruptcy Code section 1321 that contains a modification pursuant to new section 1322(b)(11); or (2) modifying a plan under Bankruptcy Code section 1323 or section 1329 to contain a modification pursuant to new section 1322(b)(11).

Under new section 1322(b)(11), the debtor may propose a plan modifying the rights of the mortgagee (and the rights of the holder of any claim secured by a subordinate security interest in such residence) in several respects. It is important to note that the intent of new section 1322(b)(11) is permissive. Accordingly, a chapter 13 may propose a plan that proposes any or all types of modification authorized under section 1322(b)(11).

First, the plan may provide for payment of the amount of the allowed secured claim as determined under section 506(a)(1). In making such determination, the court, pursuant to new section 1322(i), must use the fair market value of the property as of when the value is determined. If the issue of value is contested, the court must determine such value in accordance with the appraisal rules used by the Federal Housing Administration.

Second, the plan may prohibit, reduce, or delay any adjustable interest rate applicable on and after the date of the filing of the plan.

Third, it may extend the repayment period of the mortgage for a period that is not longer than the longer of 40 years (reduced by the period for which the mortgage has been outstanding) or the remaining term of the mortgage beginning on the date of the order for relief under chapter 13.

Fourth, the plan may provide for the payment of interest at a fixed annual rate equal to the currently applicable average prime offer rate as of the date of the order for relief under chapter 13, as determined pursuant to certain specified criteria. The rate must correspond to the repayment term determined under new section 1322(b)(11)(C)(i) as published by the Federal Financial Institutions Examination Council in its table entitled, "Average Prime Offer Rates—Fixed." In addition, the rate must include a reasonable premium for risk.

Fifth, the plan, pursuant to new section 1322(b)(11)(D), may provide for payments of such modified mortgage directly to the holder of the claim or, at the discretion of the court, through the chapter 13 trustee during the term of the plan. The reference in new section 1322(b)(11)(D) to "holder of the claim" is intended to include a servicer of such mortgage for such holder. It is anticipated that the court, in exercising its discretion with respect to allowing the debtor to make payments directly to the mortgagee or by requiring payments to be made through the chapter 13 trustee, will take into consideration the debtor's ability to pay the trustee's fees on payments disbursed through the trustee.

New section 1322(g) provides that a claim may be reduced under new section 1322(b)(11)(A) only on the condition that the debtor agrees to pay the mortgagee a stated portion of the net proceeds of sale should the home be sold before the completion of all payments under the chapter 13 plan or before the debtor receives a discharge under section 1328(b). The debtor must pay these proceeds to the mortgagee within 15 days of when the debtor receives the net sales proceeds. If the residence is sold in the first year following the effective date of the chapter 13 plan, the mortgagee is to receive 90 percent of the difference between the sales price and the amount of the claim as originally deter-

mined under section 1322(b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under new section 1322(b)(11)(A). If the residence is sold in the second year following the effective date of the chapter 13 plan, then the applicable percentage is 70 percent. If the residence is sold in the third year following the effective date of the chapter 13 plan, then the applicable percentage is 50 percent. If the residence is sold in the fourth year following the effective date of the chapter 13 plan, then the applicable percentage is 30 percent. If the residence is sold in the fifth year following the effective date of the chapter 13 plan, then the applicable percentage is ten percent. It is the intent of this provision that if the unsecured portion of the mortgagee's claim is partially paid under this provision it should be reconsidered under 502(j) and reduced accordingly.

Section 104. Combating Excessive Fees. Section 104 amends Bankruptcy Code section 1322(c) to provide that the debtor, the debtor's property, and property of the bankruptcy estate are not liable for a fee, cost, or charge that is incurred while the chapter 13 case is pending and that arises from a claim for debt secured by the debtor's principal residence, unless the holder of the claim complies with certain requirements. It is the intent of this provision that its reference to a fee, cost, or charge includes an increase in any applicable rate of interest for such claim. It also applies to a change in escrow account payments.

To ensure such fee, cost, or charge is allowed, the claimant must comply with certain requirements. First, the claimant must file with the court and serve on the chapter 13 trustee, the debtor, and the debtor's attorney an annual notice of such fee, cost, or charge (or on a more frequent basis as the court determines) before the earlier of one year of when such fee, cost, or charge was incurred or 60 days before the case is closed.

Second, the fee, cost, or charge must be lawful under applicable nonbankruptcy law, reasonable, and provided for in the applicable security agreement.

Third, the value of the debtor's principal residence must be greater than the amount of such claim, including such fee, cost or charge.

If the holder fails to give the required notice, such failure is deemed to be a waiver of any claim for such fees, costs, or charges for all purposes. Any attempt to collect such fees, costs, or charges constitutes a violation of the Bankruptcy Code's discharge injunction under section 524(a)(2) and the automatic stay under section 362(a), whichever is applicable.

Section 104 further provides that a chapter 13 plan may waive any prepayment penalty on a claim secured by the debtor's principal residence.

Section 105. Confirmation of Plan. Bankruptcy Code section 1325 sets forth the criteria for confirmation of a chapter 13 plan. Section 105 amends section 1325(a)(5) (which specifies the mandatory treatment that an allowed secured claim provided for under the plan must receive) to provide an exception for a claim modified under new section 1322(b)(11). The amendment also clarifies that payments under a plan that includes a modification of a claim under new section 1322(b)(11) must be in equal monthly amounts pursuant to section 1325(a)(5)(B)(iii)(I).

In addition, section 105 specifies certain protections for a creditor whose rights are modified under new section 1322(b)(11). As a condition of confirmation, new section 1325(a)(10) requires a plan to provide that the creditor must retain its lien until the later

of when: (1) the holder's allowed secured claim (as modified) is paid; (2) the debtor completes all payments under the chapter 13 plan; or (3) if applicable, the debtor receives a discharge under section 1328(b).

Section 105 also provides standards for confirming a chapter 13 plan that modifies a claim pursuant to new section 1322(b)(11). First, the debtor cannot have been convicted of obtaining by actual fraud the extension, renewal, or refinancing of credit that gives rise to such modified claim. Second, the modification must be in good faith. Lack of good faith exists if the debtor has no need for relief under this provision because the debtor can pay all of his or her debts and any future payment increases on such debts without difficulty for the foreseeable future, including the positive amortization of mortgage debt. In determining whether a modification under section 1322(b)(11) that reduces the principal amount of the loan is made in good faith, the court must consider whether the holder of the claim (or the entity collecting payments on behalf of such holder) has offered the debtor a qualified loan modification that would enable the debtor to pay such debts and such loan without reducing the principal amount of the mortgage.

Section 105 further amends section 1325 to add a new provision. New section 1325(d) authorizes the court, on request of the debtor or the mortgage holder, to confirm a plan proposing to reduce the interest rate lower than that specified in new section 1322(b)(11)(C)(ii), provided: (1) the modification does not reduce the mortgage principal; (2) the total mortgage payment is reduced through interest rate reduction to the percentage of the debtor's income that is the standard for a modification in accordance with the Obama Administration's Homeowner Affordability and Stability Plan, as implemented on March 4, 2009; (3) the court determines that the debtor can afford such modification in light of the debtor's financial situation, after allowance of expense amounts that would be permitted for a debtor subject to section 1325(b)(3), regardless of whether the debtor is otherwise subject to such paragraph, and taking into account additional debts and fees that are to be paid in chapter 13 and thereafter; and (4) the debtor is able to prevent foreclosure and pay a fully amortizing 30-year loan at such reduced interest rate without such reduction in principal. If the mortgage holder accepts a debtor's proposed modification under this provision, the plan's treatment is deemed to satisfy the requirements of section 1325(a)(5)(A) and the proposal should not be rejected by the court.

Section 106. Discharge. Bankruptcy Code section 1328 sets forth the requirements by which a chapter 13 debtor may obtain a discharge and the scope of such discharge. Section 106 amends section 1328(a) to clarify that the unpaid portion of an allowed secured claim modified under new section 1322(b)(11) is not discharged. This provision is not intended to create a claim for a deficiency where such a claim would not otherwise exist.

Section 107. Standing Trustee Fees. Section 108(a) amends 28 U.S.C. §586(e)(1)(B)(i) to provide that a chapter 13 trustee may receive a commission set by the Attorney General of no more than four percent on payments made under a chapter 13 plan and disbursed by the chapter 13 trustee to a creditor whose claim was modified under Bankruptcy Code section 1322(b)(11), unless the bankruptcy court waives such fees based on a determination that the debtor has income less

than 150 percent of the official poverty line applicable to the size of the debtor's family and payment of such fees would render the debtor's plan infeasible.

With respect to districts not under the United States trustee system, section 108(b) makes a conforming revision to section 302(d)(3) of the Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986.

Section 108. Effective Date; Application of Amendments. Section 108(a) provides that this measure and the amendments made by it, except as provided in subsection (b), take effect on the Act's date of enactment.

Section 108(b)(1) provides, except as provided in paragraph (2), that the amendments made by this measure apply to cases commenced under title 11 of the United States Code before, on, or after the Act's date of enactment.

Section 108(b)(2) specifies that paragraph (1) does not apply with respect to cases that are closed under the Bankruptcy Code as of the date of the enactment of this Act.

Section 109. GAO Study. Section 109 requires the Government Accountability Office to complete a study and to submit a report to the House and Senate Judiciary Committees within two years from the enactment of this Act a report. The report must contain the results of the study of: (1) the number of debtors who filed cases under chapter 13, during the one-year period beginning on the date of the enactment of this Act for the purpose of restructuring their principal residence mortgages; (2) the number of mortgages restructured under this Act that subsequently resulted in default and foreclosure; (3) a comparison between the effectiveness of mortgages restructured under programs outside of bankruptcy, such as Hope Now and Hope for Homeowners, and mortgages restructured under this Act; (4) the number of appeals in cases where mortgages were restructured under this Act; (5) the number of such appeals where the bankruptcy court's decision was overturned; and (6) the number of bankruptcy judges disciplined as a result of actions taken to restructure mortgages under this Act. In addition, the report must include a recommendation as to whether such amendments should be amended to include a sunset clause.

Section 110. Report to Congress. Not later than 18 months after the date of enactment of this Act, the Government Accountability Office, in consultation with the Federal Housing Administration, must submit to Congress a report containing: (1) a comprehensive review of the effects of the Act's amendments on bankruptcy courts; (2) a survey of whether the types of homeowners eligible for the program should be limited; and (3) a recommendation on whether such amendments should remain in effect.

TITLE III—MORTGAGE FRAUD

Section 301. Short Title. Section 301 sets forth the short title of title III as the Na-

tionwide Mortgage Fraud Task Force Act of 2009.

Section 302. Nationwide Mortgage Fraud Task Force. Subsection (a) establishes a nationwide mortgage fraud task force within the Justice Department to address mortgage fraud in the United States. Subsection (b) mandates that the Attorney General must provide the task force with appropriate staff, administrative support, and other resources necessary so that the task force can carry out its duties. Subsection (c) requires the Attorney General to appoint one staff member to be the executive director of the task force who, in turn, will ensure that the task force carries out its duties. Subsection (d) requires the task force to establish, oversee, and direct branches in each of the ten states determined by the Attorney General to have the highest concentration of mortgage fraud. Subsection (e) requires the task force to coordinate with federal, state and local law enforcement to establish mortgage fraud initiatives; provide training; and collect and disseminate data. Subsection (f), among other matters, authorizes the task force to establish a toll-free hotline for reporting mortgage fraud; provide the public with access to information and resources with respect to mortgage fraud; establish a data base; and make legislative proposals. Subsection (g), for purposes of this provision, defines mortgage fraud as a material misstatement, misrepresentation or omission relating to the property or potential mortgage relied on by an underwriter or lender to fund, purchase, or insure a loan.

TITLE IV—FORECLOSURE MORATORIUM PROVISIONS

Section 401. Sense of the Congress on Foreclosures. Subsection (a) expresses a sense of the Congress that mortgage holders, institutions, and mortgage servicers should not initiate a foreclosure proceeding or sale until the foreclosure mitigation provisions, such as Hope for Homeowners Program and the President's Homeowner Affordability and Stability Plan, have been implemented and determined to be operational by the Secretary of the Treasury and the Secretary of Housing and Urban Development. Subsection (b) states that the foreclosure moratorium should apply only for first mortgages secured by the owner's principal dwelling. Subsection (c) provides that if a mortgage holder, institution, or mortgage servicer (to which subsection (a) applies) reaches a loan modification agreement with a homeowner under the auspices of the Federal Housing Administration before any plan referred to in such subsection takes effect, subsection (a) shall cease to apply to such institution as of the effective date of the loan modification agreement. Subsection (d) states that any homeowner for whose benefit any foreclosure proceeding or sale is barred under subsection (a) from being instituted, continued or consummated with respect to any homeowner mortgage should not destroy, damage, or impair such property, allow it to deteriorate, or commit waste on the property. Subsection (e) provides that any homeowner for whose benefit any foreclosure proceeding is barred under subsection (a) from being instituted, continued, or consummated with respect to any homeowner mortgage should respond to reasonable inquiries from a creditor or servicer during the period during which such foreclosure proceeding or sale is barred.

Mrs. MALONEY. Mr. Chair, I rise today in strong support of H.R. 1106, the "Helping Families Save Their Homes Act." This legislation is needed now more than ever, and I want to commend Chairman FRANK, Chairman CONYERS, and the Leadership for working together to bring this bill to the Floor.

It is important to remember that behind the economic and housing statistics are real people—the hard-working Americans and their families who are facing difficulties paying their bills every day. H.R. 1106 contains several key provisions to ensure that homeowners will have more options available to them to stay in their homes.

The bill before us would make necessary improvements to the Hope for Homeowners program including reducing current fees that have discouraged lenders from voluntarily participating and offering a \$1,000 incentive payment to servicers for each successful refinancing of existing loans. H.R. 1106 will ensure that predatory lenders, who bear some of the responsibility for today's housing situation, will not be approved as lenders under FHA programs. The legislation also provides a safe harbor from liability to mortgage servicers who engage in certain loan modifications, and it makes permanent an increase, from \$100,000 to \$250,000, in the amount of bank or credit union deposits insured by Federal banks and credit union regulators. H.R. 1106 establishes a 5-year restoration plan for the National Credit Union Administration (NCUA) which is currently required to restore the equity ratio of the Share Insurance Fund within one year.

I think most of us agree that bankruptcy should be the option of last resort. However, for those homeowners facing bankruptcy, H.R. 1106 will allow bankruptcy judges to reduce the principal, extend the repayment period, or authorize the reduction of an exorbitant interest rate to a level that helps make a mortgage more affordable. I am glad that we have been able to make changes to this legislation that will enable homeowners to stay in their homes, while at the same time providing greater certainty to lenders and to the secondary market.

I am hopeful that this bill will help to stem the tide of foreclosures and ensure that our neighborhoods do not experience a cascade of increased vacant lots and decreased property values.

The President has proposed a plan to help make it easier for homeowners, including those who are still in repayment but at risk for default, to refinance their mortgages at around the current market rate, or modify their loans. H.R. 1106 is an important step in moving forward with that plan. We must act now. The American people deserve no less than our full commitment to helping them through these troubled times.

I urge my colleagues to support this legislation.

Ms. ZOE LOFGREN of California. Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment, as modified, offered by the gentlewoman from California (Ms. ZOE LOFGREN).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. GOODLATTE. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California will be postponed.

AMENDMENT NO. 2 OFFERED BY MR. PRICE OF GEORGIA

The Acting CHAIR. It is now in order to consider amendment No. 2 printed in House Report 111-21.

Mr. PRICE of Georgia. Mr. Chairman, I have an amendment made in order by the rule.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. PRICE of Georgia:

Beginning on page 7, strike line 5 and all that follows through line 16 on page 8, insert the following (and make such technical and conforming changes as may be appropriate): days after receiving such proceeds, if such residence is sold after the effective date of the plan, the amount of the difference between the sales price and the amount of such claim as originally determined under subsection (b)(11) (plus costs of sale and improvements), but not to exceed the unpaid amount of the allowed secured claim determined as if such claim had not been reduced under such subsection.

The Acting CHAIR. Pursuant to House Resolution 190, the gentleman from Georgia (Mr. PRICE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia.

Mr. PRICE of Georgia. Mr. Chairman, at a time when the government is going to unprecedented lengths to stabilize the banking system, this legislation is short-sighted, untimely, unfair, and counterproductive.

Now, while some might see cramdown as a quick fix, in reality the legislation will have a costly impact on generations to come. Ranking Member SMITH of the Judiciary Committee sent a thoughtful letter to the administration raising concerns about the bill, saying that it would lead to, one, significant taxpayer liability for Federal mortgage guarantees by redistributing wealth from responsible taxpayers to irresponsible borrowers and lenders; two, the hoarding by banks of hundreds of billions of dollars in capital, undermining the efforts that have been undertaken by the government since September to stabilize the financial market; and three, additional constriction in the home lending market. This bill punishes those who have lived within their means and acted prudently by forcing them to subsidize those who made irresponsible choices.

One of the many problems with this bill is that it doesn't have any safeguards to prevent the very people who profited from risky behavior and irresponsible choices from further benefiting at taxpayer expense. The text of the underlying legislation will allow for a partial payback of the cramdown amount if the house is sold within 4 years of the modification. The manager's amendment barely changes the language already in the bill by extending by 1 year and 10 percent the possible partial recapture.

If a mortgagee sells his or her home 6 years after going through a

cramdown at a profit, he or she can pocket all of the difference. Mr. Chairman, no one should be able to profit off of a bankruptcy proceeding. Bankruptcy should not be an opportunity to game the system. Hence my amendment.

The amendment would prevent this from happening by simply saying that if a homeowner who has had a mortgage modified in a bankruptcy proceeding sells the home at a profit, the lender—the individuals originally at risk for the money—may recapture the amount of principal lost in the modification or cramdown.

By putting lenders in a position of hedging against cramdown losses, this legislation will raise interest rates for the very individual whose tax dollars are paying all of these government bailouts. Some suggest that the cramdown may raise interest rates as much as 2 percentage points. The 92 percent of homeowners who are working to pay off their mortgages should not be forced to subsidize the mistakes of irresponsible borrowing or lending. By restoring the lender the money that is owed them, we will mitigate the amount to which the industry will need to raise interest rates on responsible homeowners.

This bill is yet another “Joe the plumber” moment here in this Congress, providing for the redistribution of wealth from responsible, accountable taxpayers to borrowers and lenders who will not be held accountable.

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President Obama has spoken repeatedly of the importance of fairness and personal responsibility. This amendment is an important step in that direction.

I urge my colleagues to adopt the amendment, a responsible and simple amendment, and reserve the balance of my time.

Ms. ZOE LOFGREN of California. Mr. Chairman, I must oppose this amendment, and I yield myself such time as I may consume.

The issue it addresses is already addressed in the bill and, again, in the manager's amendment. This would take the issue another step further, and I will say it's a step too far.

This would have the effect of making it practically impossible for a family to move to pursue another job. Families would not only keep their homes, they would be trapped there.

The bill also leaves no room for a homeowner to reap a windfall, either calculated or happenstance, so this amendment is unrequired.

I would note that the Price amendment would turn homeowners really into renters for life. It would remove any incentive for a homeowner who needed to sell a house to seek top value in the sale of that house or even to keep up appearances on that house.

It's a mistake, and it's not what the American Dream is all about.

I reserve the balance of my time.

Mr. PRICE of Georgia. May I inquire as to the time remaining?

The Acting CHAIR. The gentleman from Georgia has 2 minutes and the gentlelady from California has 4 minutes.

Mr. PRICE of Georgia. I am pleased to yield to my friend from Virginia (Mr. GOODLATTE) 1 minute.

Mr. GOODLATTE. I thank the gentleman for yielding me the time, and I am pleased to support his amendment, which addresses a serious problem that's in the underlying bill that is not corrected by the manager's amendment, and that is that the cramdown bill will reduce the incentive for many solvent borrowers to keep making payments on their mortgages.

While there are 3 million borrowers who are 60 days or more delinquent on their mortgages, 52 million borrowers remain current in their payments. The cramdown bill gives struggling, but still solvent, borrowers a powerful incentive to stop paying off their mortgages, trigger foreclosure notices and go into bankruptcy to cramdown their mortgage principal and restructure or eliminate all of their other debts.

We will have an outright catastrophe on our hands if most borrowers get the idea that they can successfully game the bankruptcy system in this way. The gentleman's amendment would correct this problem and make sure that we don't have a run on the bankruptcy courts of great magnitude by creating what is currently in the bill now, an incentive to file bankruptcy if the value of your mortgage is greater than the value of your home.

THE FOUR WORST THINGS ABOUT THE MORTGAGE CRAMDOWN BILL (H.R. 200)

No. 1: Back to the Financial Meltdown—The cramdown bill seriously threatens to send us through a time warp straight back to the September financial meltdown. Writedowns of mortgages in bankruptcy will inexorably force downgrades of mortgage-backed securities based on those mortgages. The downgrades will in turn force banks and insurance companies on the hook for the securities to boost their capital reserves. (For example, if a AAA-rated security is downgraded to a BB rating, a bank or insurance company will have to hold 10-times the capital reserves.) The resulting hoarding of capital could total hundreds of billions of dollars, freeze lending, kill many already wounded banks, and send us straight back to the brink we faced in September 2008. This could precipitate another bank bailout to the tune of hundreds of billions of dollars, and it will undermine everything we yet have done to stem the financial crisis.

No. 2: Moral Hazard—The cramdown bill will reduce the incentive for many solvent borrowers to keep making payments on their mortgages. While 3 million borrowers are 60 days or more delinquent on their mortgages, 52 million borrowers remain current in their payments. The cramdown bill gives struggling but still solvent borrowers a powerful incentive to stop paying off their mortgages, trigger foreclosure notices, and go into bankruptcy to cram down their mortgage principal and restructure or eliminate all of their other debts. We will have an outright catastrophe on our hands if most borrowers get the idea that they can successfully game the bankruptcy system in this way.

No. 3: Higher Interest Rates and Down Payment Requirements—Including for the Innocent and the Risky Borrowers Most in Need—The cramdown bill is not the last step. It is the key step in the Democratic Congress' walk-up to its long-sought repeal of the primary residence mortgage exception from the Bankruptcy Code. Once the primary residence exception is gone, lenders' greatly increased risk will surely lead to higher interest rates, higher down payment requirements, and other, tighter terms of principal residence mortgages. This will especially hurt already risky, lower-income borrowers, anyone who needs to refinance out of a challenging mortgage, and everyone who responsibly waited on the home-buying sidelines until the housing bubble burst. In fact, once the first, very big step is taken through the cramdown bill, lenders would be foolish not to begin pricing in their likely increased risk right away. So what's the result of the cramdown bill? Nothing more than swapping the victims.

No. 4: We Still Have Better Options We Can Try—Backers of the cramdown bill say we've tried everything else to stem the foreclosure crisis, and nothing else has worked. That's nonsense. The most recent voluntary programs are working better, and top-flight academics have proposed a terrific solution to get at the mortgages we still haven't been able to reach—mortgages served by third-party servicers that don't own the loans. These servicers lack sufficient incentive to seek loan modifications rather than to foreclose. What is more, if they do modify loans, they can be sued by mortgage-backed securities investors. Still on the table is a proposal to fix this problem by giving third-party servicers a small, per-loan incentive out of TARP funds, and cutting off litigation risk by overriding problem contract clauses and affording a litigation safe-harbor. This proposal appears to be the best possible solution for the critical mass of the remaining problem loans. It will cost little more than \$10 billion in TARP funds. Why on earth would we risk the parade of horrors and hundreds of billions of dollars of downside risk threatened by the cramdown bill, when we still haven't tried other, better options.

Ms. ZOE LOFGREN of California. I would yield to the gentleman from Georgia (Mr. MARSHALL) 1 minute.

Mr. MARSHALL. Mr. Chairman, in response to the motion, I understand that the gentleman from Georgia is opposed to the bill. In effect, the gentleman's amendment, proposed amendment, would simply gut the bill. People would not take advantage of this relief.

I am not somebody who is interested in taking taxpayer dollars and injecting the taxpayer dollars into a bad deal, either to help out the lender or help out the borrower. I am somebody who is interested, for the sake of our lenders, and all of our homeowners, in seeing the number of vacancies diminish, not increase, in finding some sort of bottom to home values. Now, this bill does that.

It also, and I was largely the author of this, it also provides that there is a claw-back provision where equity is concerned. The borrower has incentives to take care of the property to improve the property because, gradually, the borrower acquires equity in the property. But initially the borrower does not have equity in the property following cramdown.

What this bill provides is that if a borrower defaults hard on the heels of

cramdown, 100 percent of the value, upside value, goes to the lender.

The Acting CHAIR. The time of the gentleman has expired.

Ms. ZOE LOFGREN of California. I would yield the gentleman an additional 15 seconds.

Mr. MARSHALL. One hundred percent of the upside goes to the lender, and then gradually the borrower, by performing appropriately, obtains equity in the property.

It's a reasonable balance here. The balance could have been struck some other way. In effect, the lender continues to have an interest and the balance is appropriate—does not go so far as the gentleman's suggestion goes, because the gentleman's suggestion would essentially kill the bill and continue these vacancies that are hurting all of us.

Mr. PRICE of Georgia. I will continue to reserve.

Ms. ZOE LOFGREN of California. I believe I have the right to close, do I not? Does the gentleman have additional speakers?

Mr. PRICE of Georgia. I don't; do you?

Ms. ZOE LOFGREN of California. No, we don't.

Mr. PRICE of Georgia. Mr. Chairman, this is a very simple amendment. What it says is that if a bank loans an individual \$150,000 to purchase a home, and that is subject to a bankruptcy provision and a cramdown, and a judge says that principal will only be \$100,000, and that individual who owns the home then sells it at a future date, more than 5 years, for somewhere between \$100,000 and \$150,000, then that amount of money goes to the lender, the individuals that were individually at risk for the money, loaned the money. If it was over \$150,000, then the old homeowner is able to pocket that profit appropriately.

It's a very simple provision. It's a provision, an amendment of fairness, of simplicity. It doesn't gut the bill. In fact, what it does is actually makes the system fair and responsible and rewards responsible activity.

I urge my colleagues to support a commonsense, responsible amendment and yield back the balance of my time.

Ms. ZOE LOFGREN of California. Mr. Chairman, this amendment would enrich lenders and really gut the bill, damage communities and damage home values. In the bill there is a responsible provision for lenders who have had their mortgages adjusted in chapter 13 to recover on a graduated basis, should property values appreciate at sale. What this amendment would do would be to turn homeowners into renters for life.

I will just point out something else. In bankruptcy law, if you are a speculator, you go in and you buy three condominiums on spec, and you hope you are going to make a fortune on it. But, instead, the market turns. You go into chapter 13, you can get the principal written down, you can get the interest

written down but the homeowner in a condo cannot.

I would point out that if condo values rise, the speculator under the Price amendment gets all the value, the lender gets none. Only the homeowner would be made a renter for life. Now, how is that fair in America, a country that's looking for fairness?

I would like to note that currently, if a lender forecloses on a home, it receives none of the home's appreciation. So what is in the manager's amendment, the balanced amendment—I want to credit Mr. MARSHALL for his excellent work in putting this in—is a vast improvement over current bankruptcy law as it relates to homeowners.

Now, why is this important? Lenders benefit by getting part of their appreciated value and by savings on foreclosure costs. Homeowners share in the value of their home's increasing value, and that's the American Dream.

I would note also that it provides incentives for homeowners who have gone through the tragic circumstance of losing so much and reorganizing in chapter 13 and the stigma that that entails. It provides them incentive to continue to keep up their properties, to paint their houses and to keep up appearances because they have a stake in the future as well, it's not just some remote bank.

Finally, communities benefit because homeowners have this incentive to maintain their properties. So it's important that this measure proceed. As I mentioned earlier, the Price amendment would basically gut this bill and that would be a mistake.

With 6 million homeowners facing foreclosure, that is a disaster not just for those 6 million but for their neighbors. I have seen areas in our country where half the houses are in foreclosure, and I will tell you, it's a nightmare for everyone in that community. The meth dealers move in, the property values decline.

Reject the Price amendment.

Mr. SHERMAN. Mr. Chair, the Price amendment to H.R. 1106 fails to deal appropriately with post-bankruptcy improvements made by the homeowner.

The Acting CHAIR. All time for debate has expired.

The question is on the amendment offered by the gentleman from Georgia (Mr. PRICE).

The question was taken; and the Acting Chair announced that the yeas appeared to have it.

Mr. PRICE of Georgia. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Georgia will be postponed.

AMENDMENT NO. 3 OFFERED BY MR. PETERS

The Acting CHAIR. It is now in order to consider amendment No. 3 printed in House Report 111-21.

Mr. PETERS. I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. PETERS:

Beginning on page 3, strike line 21 and all that follows through line 2 on page 4, insert the following:

“(5) Notwithstanding the 180-day period specified in paragraph (1), with respect to a debtor in a case under chapter 13 who submits to the court a certification that the debtor has received notice that the holder of a claim secured by the debtor’s principal residence may commence a foreclosure on the debtor’s principal residence, the requirements of paragraph (1) shall be considered to be satisfied if the debtor satisfies such requirements not later than the expiration of the 30-day period beginning on the date of the filing of the petition.”

The Acting CHAIR. Pursuant to House Resolution 190, the gentleman from Michigan (Mr. PETERS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Michigan.

Mr. PETERS. Mr. Chairman, I would like to yield myself such time as I may consume.

Today we are considering some important legislation that is going to provide borrowers, lenders and the government with a number of very important tools to address the housing and foreclosure crisis in this country. Much of the focus of this debate has been on the bankruptcy reform portion, which is also the focus of the amendment on the floor right now.

Under current law, those filing for bankruptcy must receive counseling services from an improved credit counseling agency during the 180-day period before the bankruptcy filing. H.R. 1106 eliminates the counseling requirement for those who have already received a foreclosure notice because of a concern that the requirement would be a procedural burden for those who file for bankruptcy quickly in order to save their homes.

The Peters’ amendment would preserve the requirement for credit counseling but would allow those who have received a foreclosure notice to file for bankruptcy so long as they obtained the required credit counseling within 30 days after the bankruptcy filing.

This will ensure that everyone who enters the bankruptcy process will continue to receive this very important service, but it also makes clear that no one will lose their home because they could not get access to counseling on time.

Credit counseling is an incredibly important service. In some cases the independent credit counselors can review a debtor’s finances and recommend options other than bankruptcy that may be appropriate. It should always be our goal to keep people out of bankruptcy whenever possible.

In every case, however, credit counselors can provide important tools for budgeting that will help the debtor adjust to living under the kinds of financial restrictions that bankruptcy requires.

Mr. Chairman, I urge my colleagues to support this amendment, and I reserve the balance of my time.

Mr. GOODLATTE. Mr. Chairman, I rise to claim the time in opposition to the amendment, even though I am not opposed to the amendment.

The Acting CHAIR. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. GOODLATTE. Mr. Chairman, I yield myself such time as I may consume.

The amendment seeks partially to reinstate a credit counseling requirement for chapter 13 bankruptcy petitioners that H.R. 1106 will strip entirely away. There is no good reason to wipe out the credit counseling requirement for debtors facing foreclosure.

Bankruptcy credit counseling benefits consumers by providing the financial education needed to emerge successfully from bankruptcy. Homeowners facing foreclosure are ideal candidates for credit counseling. This is not always because they can avoid bankruptcy.

It is often so that they can get help to increase their prospects of being successful after bankruptcy. The vast majority of Americans who receive credit counseling believe strongly that it benefits them.

Finally, credit counseling offers one last real opportunity for a homeowner to reach out to a lender and determine whether a loan modification is possible. A majority claims that many borrowers were hoodwinked into obtaining their loans. That’s largely why the majority wants homeowners to be able to take their loans into bankruptcy.

But if credit counseling might show homeowners a better option than bankruptcy, why not let them try counseling. The amendment we are considering does not go far enough. It does not fully restore the requirement for counseling that is in current law.

The Rules Committee should have made Mr. FORBES’ credit counseling amendment in order. That amendment would fully restore the counseling requirement and ensure that borrowers receive counseling before they file for bankruptcy.

However, because the amendment before us does restore at least a limited requirement for counseling, I support it.

I reserve the balance of my time.

Mr. PETERS. I would like to yield to the gentleman from California (Ms. ZOE LOFGREN) for 1 minute.

Ms. ZOE LOFGREN of California. Mr. Chairman, I rise to support this amendment offered by my colleague from Michigan (Mr. PETERS).

It was a pleasure to work with him to reach agreement on his amendment, and I appreciate his commitment to ensuring that Americans have credit counseling under the Bankruptcy Code, especially in these difficult economic times.

His amendment, Mr. PETERS’ amendment, ensures that homeowners will be able to meet their obligations, to obtain credit counseling without risking foreclosure. It strikes the right balance, and it shows real foresight, judgment and skill on Mr. PETERS’ part, and I appreciate supporting his amendment, and I appreciate his presence here in our body.

Mr. GOODLATTE. Mr. Chairman, may I ask how much time is remaining on each side?

The Acting CHAIR. There are 3½ minutes for the gentleman from Virginia and 2 minutes for the gentleman from Michigan.

□ 1315

Mr. GOODLATTE. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. GOHMERT).

Mr. GOHMERT. Mr. Chairman, the crisis that we’re in right now had a number of factors that helped create it. One, we had investment bankers on Wall Street that got a little too greedy. Congress forced banks to make some loans that they shouldn’t have made.

But throughout all this process, community banks, generally speaking, by and large, have done a great job of staying stable even through the toughest of times. But we keep rewarding greed and improper conduct and then keep hurting the people who have done the most good.

Now, I understand the hearts of those on the other side that are pushing this, and I understand that my colleagues feel like it’s going to help. But the fact is you talk to the community banks who have really been hurt, starting with Paulson’s screaming that we’ll take care of dollar for dollar of every dime in money market accounts but banks are only covered to \$100,000. People withdrew their money from the banks. They still survived and they’re doing well.

But you’ve got to look at what banks are required to do. They’re required to be solvent. And that means on the asset side, they have to show a net plus. And if we pass this, then that net plus will be an uncertainty. They will not know what they have because we’ll have a bankruptcy judge who can come in and just at his whim change the principal on a mortgage. And I see my colleague shaking her head. A bankruptcy judge will be able to lower the principal. That’s what this is about, and that is going to be creating such uncertainty in the banks.

And here at a time when we have just in 2 months added what will ultimately be more taxes to the next generation and the generation after that than they could possibly pay, now if this passes, those banks will have to be so sure that people will not file bankruptcy, they’re going to need to have a good credit history for 10, 15 years, 20 years. So not only are we adding all this tax burden to them, we’re also telling

them, and, by the way, you're not going to be able to get a home loan for years to come until you have such a great track record that a bank can be certain you won't file bankruptcy because otherwise their bank financial statement will be uncertain.

We've done enough damage to the next generations. It's time to stop hurting the next generations. Let's take care of this with our generation. Let's not reward problem activity. Let's let the community banks survive this process without hurting them any worse.

Mr. PETERS. Mr. Chairman, I do not have any further requests for time, and I reserve the balance of my time.

Mr. GOODLATTE. Mr. Chairman, may I ask how much time is remaining?

The Acting CHAIR. The gentleman from Virginia has 30 seconds remaining.

Mr. GOODLATTE. Mr. Chairman, let me take the 30 seconds to say that while I think this is a good amendment and I support it, it doesn't go as far as it should have. We should have had the opportunity to vote today and debate today the amendment offered by Congressman FORBES from Virginia. But nonetheless, that not being the case, I support this amendment.

But I still strongly oppose this underlying legislation, which is going to cause hardships for future homeowners who are going to wind up paying higher mortgage rates and larger down payments for the problems that exist today. That's wrong. We should not pass that and spread that risk to those people, and we should not jeopardize legitimate credit unions and community banks that have been doing so much to help extend credit in this country.

Mr. PETERS. Mr. Chairman, my amendment is a commonsense compromise that ensures that everyone who enters into the bankruptcy process will continue to get important credit counseling services, while at the same time giving those who do not have the time to complete the counseling and are in danger of losing their home the opportunity to do so after they have filed for bankruptcy. The amendment is supported by the Financial Counseling Research Roundtable, which is comprised of the Nation's leading non-profit organizations providing Americans with bankruptcy, housing, consumer credit, and financial counseling.

I'd also like to take this opportunity to thank Chairman CONYERS for working with me on this amendment and for his leadership in helping to put together this package.

Mr. Chairman, I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Michigan (Mr. PETERS).

The question was taken; and the Acting Chair announced that the ayes appeared to have it.

Mr. GOODLATTE. Mr. Chairman, I demand a recorded vote.

The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Michigan will be postponed.

AMENDMENT NO. 4 OFFERED BY MS. TITUS

The Acting CHAIR. It is now in order to consider amendment No. 4 printed in House Report 111-21.

Ms. TITUS. Mr. Chair, I have an amendment at the desk.

The Acting CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Ms. TITUS:

Page 34, strike line 13, and insert the following:

“(x) PAYMENT TO EXISTING LOAN SERVICERS.—

“(1) PAYMENT.—The”.

Page 34, after line 17, insert the following:

“(2) NOTIFICATION REQUIREMENT.—The Secretary shall require each servicer that receives a payment under this paragraph to notify all mortgagors under mortgages serviced by such servicer who are at-risk homeowners (as such term is defined by the Secretary), in a form and manner as shall be prescribed by the Secretary, that they may be eligible for the HOPE for Homeowners Program under this section and how to obtain information regarding the program.”.

The Acting CHAIR. Pursuant to House Resolution 190, the gentlewoman from Nevada (Ms. TITUS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Nevada.

Ms. TITUS. Mr. Chairman, I rise today with an amendment to H.R. 1106, the Helping Families Save Their Homes Act.

As you know, the foreclosure crisis is wreaking havoc across the entire Nation, but my district in Southern Nevada is particularly hard hit. Nevada has the highest foreclosure rate in the country. Home prices have dropped significantly. Thousands of families are upside-down on their mortgages, and foreclosures are extending into the prime market. In fact, there was a report that was issued today by the First American CoreLogic group that stated there were 58.2 percent of Las Vegas houses upside-down and another 3.5 percent that are fast approaching that for a total of 61.7 percent of all outstanding mortgages. Compounding the problem even further, the unemployment rate in Nevada is over 9 percent, well above the national average. Families who are responsible and bought a home within their means are now facing foreclosure due to loss of a job or reduction of hours at work.

Foreclosure prevention, I believe, is a critical part of any strategy to get us back on track. I strongly believe that aggressive outreach to borrowers can help prevent unnecessary foreclosures, and that is exactly what my amendment seeks to address.

The amendment is simple and straightforward. In short, it would require that servicers who participate in the HOPE for Homeowners Program and receive government incentives paid

for by taxpayer dollars notify at-risk homeowners that they may be eligible for the program and tell them how to obtain information regarding the program. It also requires that the HUD Secretary define who are at-risk homeowners and prescribe a form and manner of notifying them of their potential eligibility for assistance.

By requiring HUD to define what is meant by “at risk” and to prescribe the method of notification of eligible homeowners, my amendment attempts to limit the administrative burden on the servicers. At the same time, it ensures that homeowners who are in danger of losing their homes and may be eligible for help will receive as much information as possible about the HOPE for Homeowners Program. Many people in trouble do not even know what help is available to them, and this amendment will help resolve that problem so they can find out about HOPE for Homeowners in a timely fashion before it's too late. I cannot tell you how many calls I have received from constituents in my district office who are facing foreclosure and don't know where to turn. This amendment will provide them with the information and help they need under this very important legislation.

Mr. Chairman, I have discussed this issue with Chairman FRANK of the Financial Services Committee and understand that he has some reservations regarding the scope of the amendment. He intended to be here but was delayed by a press conference. Although I intend to withdraw the amendment, I think it's important that we have the discussion on this issue today, and I appreciate your indulgence. I also look forward to working with Chairman FRANK as we move forward to improve notification requirements and address the foreclosure crisis in our country.

Mr. Chairman, I reserve the balance of my time.

Mrs. CAPITO. Mr. Chairman, I rise to claim the time in opposition; although I'm not opposed to the gentlewoman's amendment.

The Acting CHAIR. Without objection, the gentlewoman is recognized for 5 minutes.

There was no objection.

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am not in opposition to the gentlewoman's amendment, but I do want to talk about my opposition to the underlying package before the House today.

Our Nation is facing significant challenges, especially in the mortgage market. We once had a flowing market providing the funds critical to the origination of mortgages to our home buyers.

One of the proposals before us today is to allow judges to alter the terms of a mortgage product in bankruptcy. I really understand the desire to help families avoid foreclosure and agree that we should do everything we can to help them. However, this solution to helping should not adversely affect the

overwhelming majority of the population that are tightening their family budgets to continue paying their mortgages on time. Passage of this legislation in its current form could send mortgage rate fees higher for our regular homeowners as creditors pass on the risk of bankruptcy procedures. This is a question of fairness, in my mind. We must be certain that in the pursuit of helping those who deserve help and need help that we do not unduly burden those who have worked hard to keep their heads above water.

I also have concerns about the state of the HOPE for Homeowners Program. During a recent hearing in our Financial Services Committee, one of the witnesses from the Department of Housing and Urban Development agreed with me when I posited the question: Should we just scrap this and start over? Realizing that as of today, HOPE for Homeowners, which has been in effect for several months now, has only helped 50 homeowners in their current situation. I offered an amendment, and I feel that we should give the FHA new authority to reshape this program where it can really work quickly and is targeted to the population who desperately need this help. I offered an amendment to the Rules Committee to achieve this goal, but I was prevented from offering it on the floor and am, therefore, prevented from discussing it on the floor in a fuller manner. So later today I will be introducing that proposal as stand-alone legislation, the REFI for Homeowners Act.

There are some provisions in this bill that I do support, like the safe harbor provisions that will encourage more modifications, the increasing of deposit insurance for FDIC and NCUA, and the ultimate goal of this bill, which is to help homeowners. However, the cramdown of mortgages and the continuation of the HOPE for Homeowners Program that is not working is not in the best interest of our taxpayers. I think we can do better than what this bill offers.

Mr. Chair, I reserve the balance of my time.

Ms. TITUS. Mr. Chairman, I yield such time as he may consume to Chairman FRANK.

Mr. FRANK of Massachusetts. I thank the gentlewoman for yielding.

Mr. Chair, I think her amendment is a very important one. I would ask her if we could withhold further action to do a little work on it because the notion that we should put a requirement on these servicers to get funding is a valid one. There are some interconnections here, and I think we could actually make it apply to more people. But, also, if a servicer is only doing two or three of these, the requirement that they notify everybody might become a deterrent to doing some. So I would like to sharpen it and broaden it at the same time. And if the gentlewoman would agree, we could work on this, and I think by the time this gets

through the Senate, never known for breakneck speed, we would have a version that would improve it. So I would suggest that to the gentlewoman.

Mrs. CAPITO. Mr. Chairman, I yield 45 seconds to the gentleman from Texas (Mr. CULBERSON).

Mr. CULBERSON. Mr. Chair, we fiscal conservatives are in the minority, unfortunately, and have been working hard to lay out alternatives to stimulate the economy with immediate tax cuts, with spending cuts.

The new majority in Congress, with this new President, has spent more money in less time than any Congress in history. In fact, that's all borrowed money. About \$1.3 trillion in borrowed money has already been spent by this Congress.

I would like to ask the Congresswoman from Nevada (Ms. TITUS), who ran on a record of being fiscally responsible that you voted for \$1.2 trillion in new spending, borrowed money, which is going to be paid for by our children and grandchildren? How is that fiscally responsible?

□ 1330

Ms. ZOE LOFGREN of California. Mr. Chairman, that is not a germane point. I would raise a point of order.

The Acting CHAIR. The gentleman's time has expired.

Ms. TITUS. Mr. Chairman, I would just like to comment on Chairman FRANK's offer to help work on this amendment in terms of both its scope and depth. I appreciate that offer of assistance. I think we can improve the amendment. I think it is very important that we have an aggressive borrower outreach program so people who are in trouble can find out about the help that is available to them and find that out before it is too late.

Mr. Chairman, I would ask unanimous consent that the amendment be withdrawn.

The Acting CHAIR. Without objection, the amendment is withdrawn.

There was no objection.

Mrs. CAPITO. Mr. Chairman, I have time remaining; is that correct?

I reserve the right to object.

The Acting CHAIR. The gentlewoman could have reserved the right to object before the amendment was withdrawn, but the amendment has been withdrawn.

Mr. FRANK of Massachusetts. Mr. Chairman, it was not our intention to shut off the gentlewoman from West Virginia. Is it in order to ask unanimous consent that she be allowed the remaining time as if it had not been withdrawn?

The Acting CHAIR. Yes, it is.

Mr. FRANK of Massachusetts. Then I would make a unanimous consent request that the gentlewoman from West Virginia be able to conclude her remarks as if the amendment had not been withdrawn.

The Acting CHAIR. Without objection, the gentlewoman from West Virginia reclaims the balance of her time.

There was no objection.

Mrs. CAPITO. I thank the chairman for the unanimous consent request.

I yield the time I have remaining to the gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. You know, one of the things that concerns me is that we have spent trillions of dollars in the last few weeks, trillions. The people of this country were very concerned about the money they had in the banks so the Federal Deposit Insurance Corporation raised the amount of money from \$100,000 to \$250,000 so people will feel secure, they will know their money is safe in the banks. Yet today, the head of the FDIC, Sheila Bair, said the fund could become insolvent this year.

That is the craziest thing this woman could possibly say. If she wants to avoid a run on the banks and scaring the American people to death, she shouldn't be making these kinds of comments. To say that the FDIC is not going to insure the deposits of the people of this country is insane, especially at a time when everybody in this country is scared to death.

Ms. ZOE LOFGREN of California. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Ms. TITUS) having assumed the chair, Mr. SALAZAR, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 1106) to prevent mortgage foreclosures and enhance mortgage credit availability, had come to no resolution thereon.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 1 o'clock and 34 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1641

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SERRANO) at 4 o'clock and 41 minutes p.m.

HELPING FAMILIES SAVE THEIR HOMES ACT OF 2009

The SPEAKER pro tempore. Pursuant to House Resolution 190 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1106.

□ 1641

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole

House on the State of the Union for the further consideration of the bill (H.R. 1106) to prevent mortgage foreclosures and enhance mortgage credit availability, with Mr. HOLDEN (Acting Chair) in the chair.

The Clerk read the title of the bill.

The Acting CHAIR. When the Committee of the Whole rose earlier today, a request for a recorded vote on amendment No. 3, printed in House Report 111-21, offered by the gentleman from Michigan (Mr. PETERS) had been postponed.

Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in House Report 111-21 on which further proceedings were postponed, in the following order:

Amendment No. 1, as modified, by Ms. ZOE LOFGREN of California.

Amendment No. 2 by Mr. PRICE of Georgia.

Amendment No. 3 by Mr. PETERS of Michigan.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 1 OFFERED BY MS. ZOE LOFGREN OF CALIFORNIA, AS MODIFIED

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Ms. ZOE LOFGREN), as modified, on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 263, noes 164, not voting 10, as follows:

[Roll No. 100]

AYES—263

Abercrombie	Carney	Donnelly (IN)
Ackerman	Carson (IN)	Doyle
Adler (NJ)	Castle	Driehaus
Altmire	Castor (FL)	Edwards (MD)
Andrews	Chandler	Edwards (TX)
Arcuri	Childers	Ellison
Baca	Christensen	Ellsworth
Baird	Clarke	Engel
Baldwin	Clay	Eshoo
Barrow	Cleaver	Etheridge
Bean	Clyburn	Farr
Becerra	Cohen	Fattah
Berkley	Connolly (VA)	Filner
Berman	Cooper	Foster
Berry	Costa	Fox
Bishop (GA)	Costello	Frank (MA)
Bishop (NY)	Courtney	Fudge
Blumenauer	Crowley	Giffords
Bocieri	Cuellar	Gonzalez
Bordallo	Cummings	Gordon (TN)
Boren	Dahlkemper	Grayson
Boswell	Davis (AL)	Green, Al
Boucher	Davis (CA)	Green, Gene
Boyd	Davis (IL)	Griffith
Brady (PA)	Davis (TN)	Grijalva
Braley (IA)	DeFazio	Gutierrez
Bright	DeGette	Hall (NY)
Brown, Corrine	Delahunt	Halvorson
Butterfield	DeLauro	Hare
Capps	Diaz-Balart, L.	Harman
Capuano	Diaz-Balart, M.	Hastings (FL)
Cardoza	Dicks	Heinrich
Carnahan	Doggett	Herseth Sandlin

Higgins	McDermott	Sánchez, Linda
Hill	McGovern	T.
Himes	McHugh	Sanchez, Loretta
Hinches	McIntyre	Sarbanes
Hinojosa	McMahon	Schakowsky
Hirono	McNerney	Schauer
Hodes	Meek (FL)	Schiff
Holden	Meeks (NY)	Schrader
Holt	Michaud	Schwartz
Honda	Miller (NC)	Scott (GA)
Hoyer	Miller, George	Scott (VA)
Inslee	Minnick	Serrano
Israel	Mitchell	Sestak
Jackson (IL)	Mollohan	Shea-Porter
Jackson-Lee	Moore (KS)	Sherman
(TX)	Moore (WI)	Shuler
Johnson (GA)	Moran (VA)	Sires
Johnson, E. B.	Murphy (CT)	Skelton
Jones	Murphy, Patrick	Slaughter
Kagen	Murtha	Smith (WA)
Kanjorski	Nadler (NY)	Snyder
Kaptur	Napolitano	Space
Kennedy	Neal (MA)	Speier
Kildee	Norton	Spratt
Kilpatrick (MI)	Nye	Stupak
Kilroy	Oberstar	Sutton
Kind	Obey	Tanner
Kirkpatrick (AZ)	Oliver	Tauscher
Kissell	Ortiz	Taylor
Klein (FL)	Pallone	Teague
Kosmas	Pascarella	Thompson (CA)
Kratovil	Pastor (AZ)	Thompson (MS)
Kucinich	Payne	Tierney
Lance	Perlmutter	Titus
Langevin	Peters	Tonko
Larsen (WA)	Peterson	Towns
Larson (CT)	Pierluisi	Tsongas
Lee (CA)	Pingree (ME)	Turner
Levin	Polis (CO)	Upton
Lewis (GA)	Pomerooy	Van Hollen
Lipinski	Price (NC)	Velázquez
Loeb sack	Rahall	Visclosky
Lofgren, Zoe	Rangel	Walz
Lowe y	Reyes	Wasserman
Luján	Richardson	Schultz
Lynch	Rodriguez	Waters
Maffei	Ros-Lehtinen	Watson
Maloney	Ross	Watt
Markey (CO)	Rothman (NJ)	Waxman
Markey (MA)	Roybal-Allard	Weiner
Marshall	Ruppersberger	Welch
Massa	Rush	Wexler
Matheson	Ryan (OH)	Wilson (OH)
Matsui	Sablan	Woolsey
McCarthy (NY)	Salazar	Wu
McCollum		Yarmuth

NOES—164

Aderholt	Culberson	Kline (MN)
Akin	Davis (KY)	Lamborn
Alexander	Deal (GA)	Latham
Austria	Dent	LaTourette
Bachmann	Dreier	Latta
Bachus	Duncan	Lee (NY)
Barrett (SC)	Emerson	Lewis (CA)
Bartlett	Fallin	Linder
Barton (TX)	Flake	LoBiondo
Biggert	Fleming	Lucas
Bilbray	Forbes	Luetkemeyer
Bilirakis	Fortenberry	Lummis
Bishop (UT)	Franks (AZ)	Lungren, Daniel
Blackburn	Frelinghuysen	E.
Blunt	Gallegly	Mack
Boehner	Garrett (NJ)	Manzullo
Bonner	Gerlach	Marchant
Bono Mack	Gingrey (GA)	McCarthy (CA)
Boozman	Gohmert	McCaul
Boustany	Goodlatte	McClintock
Brady (TX)	Granger	McCotter
Broun (GA)	Graves	McHenry
Brown (SC)	Guthrie	McKeon
Brown-Waite,	Hall (TX)	McMorris
Ginny	Harper	Rodgers
Buchanan	Hastings (WA)	Mica
Burgess	Heller	Miller (FL)
Burton (IN)	Hensarling	Miller (MI)
Buyer	Herger	Moran (KS)
Calvert	Hoekstra	Murphy, Tim
Camp	Hunter	Myrick
Campbell	Inglis	Neugebauer
Cantor	Issa	Nunes
Capito	Jenkins	Olson
Carter	Johnson (IL)	Paul
Cassidy	Johnson, Sam	Paulsen
Chaffetz	Jordan (OH)	Pence
Coble	King (IA)	Petri
Cole	King (NY)	Pitts
Conaway	Kingston	Platts
Crenshaw	Kirk	Poe (TX)

Posey	Scalise	Terry
Price (GA)	Schmidt	Thompson (PA)
Putnam	Schock	Thornberry
Radanovich	Sensenbrenner	Tiahrt
Rehberg	Sessions	Tiberi
Reichert	Shadegg	Walden
Roe (TN)	Shimkus	Wamp
Rogers (AL)	Shuster	Westmoreland
Rogers (KY)	Simpson	Whitfield
Rogers (MI)	Smith (NE)	Wilson (SC)
Rohrabacher	Smith (NJ)	Wittman
Rooney	Smith (TX)	Wolf
Roskam	Souder	Young (AK)
Royce	Stearns	Young (FL)
Ryan (WI)	Sullivan	

NOT VOTING—10

Cao	Ehlers	Perriello
Coffman (CO)	Faleomavaega	Stark
Conyers	Melancon	
Dingell	Miller, Gary	

□ 1649

Mr. FORTENBERRY changed his vote from “aye” to “no.”

Ms. MARKEY of Colorado and Mr. RANGEL changed their vote from “no” to “aye.”

So the amendment, as modified, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 2 OFFERED BY MR. PRICE OF GEORGIA

The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Georgia (Mr. PRICE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIR. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 211, noes 218, not voting 8, as follows:

[Roll No. 101]

AYES—211

Aderholt	Buchanan	Ellsworth
Akin	Burgess	Emerson
Alexander	Burton (IN)	Fallin
Altmire	Buyer	Flake
Arcuri	Calvert	Fleming
Austria	Camp	Forbes
Bachmann	Campbell	Fortenberry
Bachus	Cantor	Foster
Barrett (SC)	Capito	Fox
Barrow	Carter	Franks (AZ)
Bartlett	Cassidy	Frelinghuysen
Barton (TX)	Castle	Gallegly
Bean	Chaffetz	Garrett (NJ)
Berry	Chandler	Gerlach
Biggert	Childers	Giffords
Bilbray	Coble	Gingrey (GA)
Bilirakis	Cole	Gohmert
Bishop (UT)	Conaway	Goodlatte
Blackburn	Connolly (VA)	Gordon (TN)
Blunt	Crenshaw	Granger
Boehner	Culberson	Graves
Bonner	Dahlkemper	Griffith
Bono Mack	Davis (AL)	Guthrie
Boozman	Davis (KY)	Hall (TX)
Boren	Deal (GA)	Halvorson
Boucher	Dent	Harper
Boustany	Diaz-Balart, L.	Hastings (WA)
Brady (TX)	Diaz-Balart, M.	Heinrich
Broun (GA)	Donnelly (IN)	Heller
Brown (SC)	Dreier	Hensarling
Brown-Waite,	Duncan	Herger
Ginny	Edwards (TX)	Himes

Davis (CA)	Kagen	Ortiz
Davis (IL)	Kanjorski	Pallone
Davis (KY)	Kennedy	Pascarell
Davis (TN)	Kildee	Pastor (AZ)
Deal (GA)	Kilpatrick (MI)	Paul
DeFazio	Kilroy	Paulsen
DeGette	Kind	Payne
Delahunt	King (IA)	Pence
DeLauro	King (NY)	Perlmutter
Dent	Kingston	Peters
Diaz-Balart, L.	Kirk	Peterson
Diaz-Balart, M.	Kirkpatrick (AZ)	Petri
Dicks	Kissell	Pierluisi
Dingell	Klein (FL)	Pingree (ME)
Doggett	Kline (MN)	Pitts
Donnelly (IN)	Kosmas	Platts
Doyle	Kratovil	Poe (TX)
Dreier	Kucinich	Polis (CO)
Driehaus	Lamborn	Pomeroy
Duncan	Lance	Posey
Edwards (MD)	Langevin	Price (GA)
Edwards (TX)	Larsen (WA)	Price (NC)
Ellison	Larson (CT)	Putnam
Ellsworth	Latham	Radanovich
Emerson	LaTourette	Rahall
Engel	Latta	Rangel
Eshoo	Lee (CA)	Rehberg
Etheridge	Lee (NY)	Reichert
Fallin	Levin	Reyes
Farr	Lewis (GA)	Richardson
Fattah	Linder	Rodriguez
Filner	Lipinski	Roe (TN)
Fleming	LoBiondo	Rogers (AL)
Forbes	Loeback	Rogers (KY)
Fortenberry	Lofgren, Zoe	Rogers (MI)
Foster	Lowey	Rohrabacher
Fox	Lucas	Rooney
Frank (MA)	Luftmeyer	Ros-Lehtinen
Franks (AZ)	Lujan	Roskam
Frelinghuysen	Lummis	Ross

Gallegly	E.	Roybal-Allard
Garrett (NJ)	Lynch	Royce
Gerlach	Mack	Ruppersberger
Giffords	Maffei	Rush
Gingrey (GA)	Maloney	Ryan (OH)
Gohmert	Manzullo	Ryan (WI)
Gonzalez	Marchant	Sablan
Goodlatte	Markey (CO)	Salazar
Gordon (TN)	Markey (MA)	Sánchez, Linda
Granger	Marshall	T.
Graves	Massa	Sanchez, Loretta
Grayson	Matheson	Sarbanes
Green, Al	Matsui	Scalise
Green, Gene	McCarthy (CA)	Schakowsky
Griffith	McCarthy (NY)	Schauer
Grijalva	McCaul	Schiff
Guthrie	McClintock	Schmidt
Gutierrez	McCollum	Schock
Hall (NY)	McCotter	Schrader
Hall (TX)	McDermott	Schwartz
Halvorson	McGovern	Scott (GA)
Hare	McHenry	Scott (VA)
Harman	McHugh	Sensenbrenner
Harper	McIntyre	Serrano
Hastings (FL)	McKeon	Sessions
Hastings (WA)	McMahon	Sestak
Heinrich	McNerney	Shadegg
Heller	Meek (FL)	Shea-Porter
Hensarling	Meeks (NY)	Sherman
Herger	Mica	Shimkus
Herseeth Sandlin	Michaud	Shuler
Higgins	Miller (FL)	Shuster
Hill	Miller (MI)	Simpson
Himes	Miller (NC)	Sires
Hinchey	Miller, George	Skelton
Hinojosa	Minnick	Slaughter
Hirono	Mitchell	Smith (NE)
Hodes	Mollohan	Smith (NJ)
Hoekstra	Moore (KS)	Smith (TX)
Holden	Moore (WI)	Smith (WA)
Holt	Moran (KS)	Snyder
Honda	Moran (VA)	Souder
Hoyer	Murphy (CT)	Space
Hunter	Murphy, Patrick	Speier
Inglis	Murphy, Tim	Spratt
Inslee	Murtha	Stearns
Israel	Myrick	Stupak
Issa	Nadler (NY)	Sullivan
Jackson (IL)	Napolitano	Sutton
Jackson-Lee	Neal (MA)	Tanner
(TX)	Neugebauer	Tauscher
Jenkins	Norton	Taylor
Johnson (GA)	Nunes	Teague
Johnson (IL)	Nye	Terry
Johnson, E. B.	Oberstar	Thompson (CA)
Johnson, Sam	Obey	Thompson (MS)
Jones	Olson	Thompson (PA)
Jordan (OH)	Olver	Thornberry

Tiahrt	Walden	Wexler
Tiberi	Walz	Whitfield
Tierney	Wamp	Wilson (OH)
Titus	Wasserman	Wilson (SC)
Tonko	Schultz	Wittman
Towns	Waters	Wolf
Tsongas	Watson	Woolsey
Turner	Watt	Wu
Upton	Waxman	Yarmuth
Van Hollen	Weiner	Young (AK)
Velázquez	Welch	Young (FL)
Visclosky	Westmoreland	

NOES—2

Flake	Lewis (CA)
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NOT VOTING—12

Akin	Faleomavaega	Miller, Gary
Billbray	Kaptur	Perriello
Cao	McMorris	Stark
Coffman (CO)	Rodgers	
Ehlers	Melancon	

ANNOUNCEMENT BY THE ACTING CHAIR

The Acting CHAIR (during the vote). There are 2 minutes remaining in this vote.

□ 1738

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The Acting CHAIR. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. ROSS) having assumed the chair, Mr. HOLDEN, Acting Chair of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1106) to prevent mortgage foreclosures and enhance mortgage credit availability, pursuant to House Resolution 190, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment reported from the Committee of the Whole? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. PRICE of Georgia. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. PRICE of Georgia. I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Price of Georgia moves to recommit the bill, H.R. 1106, to the Committee on the Judiciary and the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendment:

At the end of the bill, add the following new title:

TITLE III—LIMITATIONS ON USE OF FUNDS FOR PREVENTION AND MITIGATION OF MORTGAGE FORECLOSURES

SEC. 301. LIMITATIONS ON USE OF FUNDS FOR PREVENTION AND MITIGATION OF MORTGAGE FORECLOSURES.

(A) PROHIBITIONS ON USE OF TARP AND OTHER FORECLOSURE MITIGATION ASSISTANCE.—

(1) TARP FUNDS.—Notwithstanding any provision of title I of the Emergency Economic Stabilization Act of 2008, no funds made available to the Secretary of the Treasury pursuant to section 115(a)(3) of such Act and used by the Secretary in any manner for the prevention or mitigation of foreclosures on mortgages on residential properties, may be used for any assistance or relief in violation of the prohibitions under paragraph (3).

(2) ASSISTANCE UNDER THIS ACT.—Notwithstanding any other provision of this Act or any amendment made by this Act, no relief or assistance may be provided under this Act, the amendments made by this Act, or any authority or program established or amended by this Act, in violation of the prohibitions under paragraph (3).

(3) PROHIBITIONS.—Relief or assistance in violation of the prohibitions under this paragraph is relief or assistance as follows:

(A) MISREPRESENTATION.—Relief or assistance to, for, or on behalf of any mortgagor who obtained the mortgage with respect to which the assistance or relief is provided by material misrepresentation, false pretenses, or actual fraud.

(B) FAILURE TO FOLLOW UNDERWRITING STANDARDS.—Relief or assistance to, for, or on behalf of any lender or mortgagee that failed to comply with underwriting standards for residential mortgages applicable to such lender or mortgagee.

(C) INCENTIVE PAYMENTS FOR BORROWERS OR SERVICERS.—Relief or assistance in the form of providing any payment, discount, reduction, or other thing of value to any mortgagor, mortgagee, or servicer of a mortgage as an incentive to engage or participate in any activity or program for the prevention or mitigation of foreclosure on the mortgage, or other mortgage modification or workout, including any of the following incentive payments under the Homeowner Affordability and Stability Plan of the Secretary of the Treasury:

(i) The incentives under such Plan referred to as the “Pay for Success Incentives to Servicers”, which provide servicers with an up-front fee of \$1,000 for each eligible modification meeting guidelines under the Plan and monthly payments in an amount up to \$1,000 each year for three years, as long as the borrower stays current on the mortgage.

(ii) The incentives under such Plan referred to as “Incentives to Help Borrowers Stay Current”, which provide a monthly balance reduction payment that goes toward reducing the principal balance of the mortgage loan, in an amount of up to \$1,000 for each year for five years, as long as a borrower stays current on the mortgage.

(iii) The incentives under such Plan referred to as “Reaching Borrowers Early”, which provide a payment of \$500 to servicers, and a payment of \$1,500 to mortgage holders, if they modify at-risk loans before the borrower falls behind.

(b) REQUIREMENT FOR SUBMISSION OF TARP FORECLOSURE MITIGATION PLAN TO CONGRESS.—Notwithstanding any provision of title I of the Emergency Economic Stabilization Act of 2008, none of the funds otherwise available to the Secretary of the Treasury pursuant to section 115(a)(3) of such Act may be used by the Secretary for the prevention or mitigation of foreclosures on mortgages on residential properties, unless—

(1) a comprehensive plan for the use of the funds has been submitted to the Congress by the Secretary and the 90-day period that begins upon such submission has expired; and

(2) the plan provides for equitable treatment of all mortgagors, and does not limit assistance only to mortgagors that are delinquent, or in danger of defaulting, on their mortgages.

Mr. PRICE of Georgia (during the reading). Mr. Speaker, I ask unanimous consent that the reading of the motion to recommit be suspended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER pro tempore. The gentleman from Georgia is recognized for 5 minutes.

Mr. PRICE of Georgia. Mr. Speaker, at a time when the government is going to unprecedented lengths to stabilize the banking system, this legislation—the underlying legislation—is shortsighted, untimely, unfair, and counterproductive. While some might see cramdown as a quick fix, in reality, this legislation will have a costly impact on generations to come.

Ranking Member SMITH of the Judiciary Committee sent a thoughtful letter to the administration, raising concerns that this bill will lead to significant taxpayer liability for Federal mortgage guaranties by redistributing wealth from responsible taxpayers.

The letter that Ranking Member SMITH sent to the administration raised concerns about the underlying bill leading to significant taxpayer liability for Federal mortgage guaranties by redistributing wealth from responsible taxpayers to irresponsible borrowers and lenders by the hoarding by banks of hundreds of billions of dollars in capital while undermining the efforts that had been undertaken by the government in September to stabilize the financial markets.

Finally, additional constriction in the home lending market: Markets are very stressed right now. The homeownership market is leading the way. There is more uncertainty than confidence. Many in America are having real financial problems, and we understand that. This bill only increases that uncertainty. If any Member truly desires fairness in the system of homeownership, then this motion to recommit will give them that assurance.

The underlying bill leaves the door open to reward irresponsible actors, and our motion to recommit ensures that that doesn't happen. It would prohibit taxpayer assistance to any borrowers who misrepresented or lied about their income on their mortgage applications. It would prohibit taxpayer assistance to any lender who failed to follow proper underwriting standards. It would prohibit taxpayer funds from being used as incentives to lenders to rework loans for irresponsible borrowers, in essence, bribes from the taxpayer to pay mortgages. It would prohibit taxpayer funds from

being used unless the President submits a new plan that provides equitable treatment of all mortgages.

□ 1745

His current plan does not do that. Contrary to the words from President Obama, his plan rewards irresponsible behavior and continues a reckless course.

What we're asking for instead is a plan that's fair to everyone, a plan that provides equitable treatment for everyone. All homeowners are struggling right now, and this plan in the underlying bill rewards bad behavior.

The key aspects of the Obama administration's housing bailout proposal rewards irresponsible borrowers and lenders at the expense of the more than 90 percent of American families still making their mortgage payments on time. This is fundamentally unfair, and the American people know it.

Mr. Speaker, our motion to recommit will ensure that unscrupulous and irresponsible actors will not be bailed out by the overwhelming majority of working families that have lived responsibly and within their means.

I urge adoption of the motion to recommit.

I yield back the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I rise to oppose the motion to recommit.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. FRANK of Massachusetts. Mr. Speaker, before turning to this motion to recommit, I have a serious subject I want to address.

A number of Members have been concerned about the increased assessment that's hit community banks from the FDIC, in part because of failures to which they did not contribute. Today, the Chair of the FDIC, Sheila Bair, has written to our Senate counterparts to say that in effect, if we go ahead with the increase in FDIC borrowing authority—some of that is in this bill; it would be improved on in the Senate in ways that we agree with—but if she gets the increased borrowing authority, a process that begins in this bill, she will substantially reduce that assessment on the community banks.

So voting for this bill will be an important step towards reducing the assessment of the community banks.

I insert this letter into the RECORD at this point.

FEDERAL DEPOSIT
INSURANCE CORPORATION,
Washington, DC, March 5, 2009.

Hon. CHRISTOPHER J. DODD,
Chairman, Committee on Banking, Housing,
and Urban Affairs U.S. Senate, Wash-
ington, DC.

DEAR MR. CHAIRMAN: I am writing to express my support for the Depositor Protection Act of 2009, legislation to increase the Federal Deposit Insurance Corporation's borrowing authority with the Treasury Department if losses from failed financial institutions exceed the industry funded resources of the Deposit Insurance Fund (DIF).

As you know, the FDIC's borrowing authority was set in 1991 at \$30 billion and has

not been raised since that date. Assets in the banking industry have tripled since 1991, from \$4.5 trillion to \$13.6 trillion. As I indicated in my previous letter of January 26, 2009, the FDIC believes it is prudent to adjust the statutory line of credit proportionately to leave no doubt that the FDIC can immediately access the necessary resources to resolve failing banks and provide timely protection to insured depositors.

The legislation would include important additional authority for the FDIC and would rationalize the FDIC's current borrowing authority. Under current law, the FDIC has the authority to borrow up to \$30 billion from Treasury to cover losses incurred in insuring deposits up to \$100,000. In addition, when Congress temporarily increased deposit insurance coverage to \$250,000, it temporarily lifted all limits on the FDIC's borrowing authority to implement the new deposit insurance obligation.

The bill would permanently increase the FDIC's authority to borrow from Treasury from \$30 billion to \$100 billion. In addition the bill also would temporarily authorize an increase in that borrowing authority above \$100 billion (but not to exceed \$500 billion) based on a process that would require the concurrence of the FDIC, the Federal Reserve Board, and the Treasury Department, in consultation with the President.

Because the existing borrowing authority for losses from bank failures provides a thin margin of error, it was necessary for the FDIC recently to impose increased assessments on the banking industry. These assessments will have a significant impact on insured financial institutions, particularly during a financial crisis and recession when banks must be a critical source of credit to the economy.

The size of the special assessment reflected the FDIC's responsibility to maintain adequate resources to cover unforeseen losses. Increased borrowing authority, however, would give the FDIC flexibility to reduce the size of the recent special assessment, while still maintaining assessments at a level that supports the DIF with industry funding. While the industry would still pay assessments to the DIF to cover projected losses and rebuild the Fund over time, a lower special assessment would mitigate the impact on banks at a time when they need to serve their communities and revitalize the economy.

In conclusion, the Depositor Protection Act would leave no doubt that the FDIC will have the resources necessary to address future contingencies and seamlessly fulfill the government's commitment to protect insured depositors against loss. I strongly support this legislation and look forward to working with you to enact it into law.

Sincerely,

SHEILA C. BAIR.

Now, as to the motion to recommit, the gentleman from Georgia slightly under-described his amendment. Understatement is not his usual metier, but he alluded to it today. He said it would prevent, as I recall page 3, section C, help for any irresponsible borrower. No. It prevents mortgage assistance to any borrower, responsible or not, no matter what the cause. This proposal simply makes it impossible to carry out any mortgage relief.

One of the things that the President said was we would go to the servicers who now can get a payment for foreclosure. And we would say under this bill, we would authorize a payment if they did a modification instead of a

foreclosure. This amendment says no, that can't happen.

We say here that we will work with the borrowers to reduce the amount that they are entitled to receive under the contract on the grounds that they would be better off avoiding foreclosure. It would have the Federal Government work with them in this. This would make it impossible.

The gentleman from Georgia kind of made clear his general position when he began by denouncing the part of this bill that deals with bankruptcy. Now, of course, this amendment, as he's offered it, doesn't deal with bankruptcy. That's why I'm here instead of my colleague from Michigan. But the purpose is clear. His view is that there should not be a Federal program to try to diminish mortgage foreclosures.

Here is the point. Diminution of mortgage foreclosures currently has a compassionate aspect. Not surprisingly, that has less appeal in some parts of this House than others. But there is also an enlightened self-interest to it. Irresponsible subprime mortgage lending and borrowing and underwriting and securitizing a whole lot of guilty parties was the biggest single cause of the financial crisis we are in. The continued cascade of foreclosures and consequent deterioration of asset prices is the major reason why we have continued economic deterioration.

There is broad agreement that until we begin to stem the tide of foreclosures—we can't stop it all, and we're not trying to stop it all; not everybody who's being foreclosed upon can be helped or should be helped—but until we do a great deal to reduce this, you will not get an end to the current crisis.

So this is a direct shot. Now, I know I do not attribute this to the gentleman from Georgia, but there is, for instance, a noted commentator on public affairs, Mr. Limbaugh, who has a certain number of fans on that side—and if they aren't fans, they're afraid to say so. He has asked that the President fail. Well, the effect of this amendment would be giving Mr. Limbaugh his wish because if you cripple the effort to reduce mortgage foreclosure, you cripple the effort to get out of the economic slump we are in.

So I understand what some people would like to see happen. They do not want President Obama and a Democratic Congress to get any credit for helping to reduce our economic situation. I understand that, but they're taking a lot of innocent people hostage. They have a right to be very partisan and go after us. But don't do it at the expense of an awful lot of Americans who would lose their homes and of an economic situation that is deteriorating.

So I reiterate that defeating this motion and passing this bill will be an important step towards, among other things, reducing those FDIC assessments—and we have the word of Sheila Bair—and it will be a responsible way

of trying to reduce mortgage foreclosure. It's to the benefit of the individual, to the benefit of the communities that are suffering from this, it's to the benefit of other homeowners whose property values have deteriorated by foreclosure; and at last, I must concede to my Republican friends, it might help the President in his effort to improve the economy. I apologize for that, but I hope you can put up with it.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. PRICE of Georgia. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 182, noes 242, not voting 7, as follows:

[Roll No. 103]

AYES—182

Aderholt	Duncan	Mack
Akin	Emerson	Manzullo
Alexander	Fallin	Marchant
Austria	Flake	Marshall
Bachmann	Fleming	McCarthy (CA)
Bachus	Forbes	McCaul
Barrett (SC)	Fortenberry	McClintock
Barrow	Fox	McCotter
Bartlett	Franks (AZ)	McHenry
Barton (TX)	Frelinghuysen	McHugh
Biggart	Gallely	McIntyre
Bilbray	Garrett (NJ)	McKeon
Bilirakis	Gerlach	McMorris
Bishop (UT)	Gingrey (GA)	Rodgers
Blackburn	Gohmert	Mica
Blunt	Goodlatte	Miller (FL)
Boehner	Granger	Miller (MI)
Bonner	Graves	Minnick
Bono Mack	Guthrie	Moran (KS)
Boozman	Hall (TX)	Murphy, Tim
Boustany	Harper	Myrick
Brady (TX)	Hastings (WA)	Neugebauer
Bright	Heller	Nunes
Broun (GA)	Hensarling	Olson
Brown (SC)	Herger	Paul
Brown-Waite,	Hoekstra	Paulsen
Ginny	Hunter	Pence
Buchanan	Inglis	Petri
Burgess	Issa	Pitts
Burton (IN)	Jenkins	Platts
Buyer	Johnson (IL)	Poe (TX)
Calvert	Johnson, Sam	Posey
Camp	Jones	Price (GA)
Campbell	Jordan (OH)	Putnam
Cantor	King (IA)	Radanovich
Capito	King (NY)	Rehberg
Carter	Kingston	Reichert
Cassidy	Kirk	Roe (TN)
Castle	Kline (MN)	Rogers (AL)
Chaffetz	Lamborn	Rogers (KY)
Childers	Lance	Rogers (MI)
Coble	Latham	Rohrabacher
Cole	LaTourette	Rooney
Conaway	Latta	Ros-Lehtinen
Crenshaw	Lee (NY)	Roskam
Culberson	Lewis (CA)	Royce
Davis (KY)	Linder	Ryan (WI)
Deal (GA)	LoBiondo	Scalise
Dent	Lucas	Schmidt
Diaz-Balart, L.	Luetkemeyer	Schock
Diaz-Balart, M.	Lummis	Sensenbrenner
Donnelly (IN)	Lungren, Daniel	Sessions
Dreier	E.	Shadegg

Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan

Teague
Terry
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden

Wamp
Westmoreland
Obey
Whitfield
Wilson (SC)
Wittman
Wolf
Young (AK)
Young (FL)

NOES—242

Abercrombie
Ackerman
Adler (NJ)
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boccheri
Boren
Boswell
Boucher
Boyd
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Carson (IN)
Castor (FL)
Chandler
Clarke
Clay
Cleaever
Clyburn
Cohen
Connolly (VA)
Conyers
Cooper
Costa
Costello
Courtney
Crowley
Cuellar
Cummings
Dahlkemper
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Driehaus
Edwards (MD)
Edwards (TX)
Ellison
Ellsworth
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Foster
Frank (MA)
Fudge
Giffords
Gonzalez
Gordon (TN)
Grayson
Green, Al
Green, Gene
Griffith

Grijalva
Gutierrez
Hall (NY)
Halvorson
Hare
Harman
Hastings (FL)
Heinrich
Hereth Sandlin
Higgins
Hill
Himes
Hinchev
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee
 (TX)
Johnson (GA)
Johnson, E. B.
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kosmas
Kratovil
Kucinich
Langevin
Larsen (WA)
Larson (CT)
Lee (CA)
Levin
Lewis (GA)
Lipinski
Loeb sack
Lofgren, Zoe
Lowey
Lujan
Lynch
Maffei
Maloney
Markey (CO)
Markey (MA)
Massa
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McMahon
McNerney
Meek (FL)
Meeks (NY)
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moore (VA)
Murphy (CT)
Murphy, Patrick
Murphy (CA)
Murphy (CT)
Murphy (NY)
Murphy (PA)
Nadler (NY)
Napolitano
Neal (MA)

Nye
Oberstar
Obey
Oliver
Ortiz
Pallone
Pascarell
Pastor (AZ)
Payne
Perlmutter
Peters
Peterson
Pingree (ME)
Polis (CO)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sanchez, Linda
 T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schrader
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skellton
Slaughter
Smith (WA)
Snyder
Space
Speier
Spratt
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Titus
Tonko
Townes
Tsongas
Van Hollen
Velázquez
Visclosky
Walz
Wasserman
 Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Wexler
Wilson (OH)
Woolsey
Wu
Yarmuth

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1808

Ms. HARMAN, Ms. LORETTA SANCHEZ of California and Mr. GUTIERREZ changed their vote from "aye" to "no."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRANK of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 234, nays 191, not voting 7, as follows:

[Roll No. 104]

YEAS—234

Abercrombie	Doyle	Lee (CA)
Ackerman	Driehaus	Levin
Adler (NJ)	Edwards (MD)	Lewis (GA)
Altmire	Ellison	Lipinski
Andrews	Engel	Loeb sack
Baca	Eshoo	Lofgren, Zoe
Baird	Etheridge	Lowey
Baldwin	Farr	Lujan
Barrow	Fattah	Lynch
Bean	Filner	Maffei
Becerra	Foster	Maloney
Berkley	Frank (MA)	Markey (MA)
Berman	Fudge	Marshall
Bishop (GA)	Giffords	Matsui
Bishop (NY)	Gonzalez	McCarthy (NY)
Blumenauer	Grayson	McCollum
Boccheri	Green, Al	McDermott
Boswell	Green, Gene	McGovern
Boyd	Grijalva	McHugh
Brady (PA)	Gutierrez	McIntyre
Braley (IA)	Hall (NY)	McMahon
Brown, Corrine	Halvorson	McNerney
Butterfield	Hare	Meek (FL)
Capps	Harman	Meeks (NY)
Capuano	Hastings (FL)	Michaud
Cardoza	Heinrich	Miller (NC)
Carnahan	Hereth Sandlin	Miller, George
Carson (IN)	Higgins	Minnick
Castle	Himes	Mitchell
Castor (FL)	Hinchev	Mollohan
Chandler	Hinojosa	Moore (KS)
Clarke	Hirono	Moore (WI)
Clay	Hodes	Moran (VA)
Cleaever	Holt	Murphy (CT)
Clyburn	Honda	Murphy, Patrick
Cohen	Hoyer	Murtha
Connolly (VA)	Inslee	Nadler (NY)
Conyers	Israel	Napolitano
Cooper	Jackson (IL)	Neal (MA)
Costa	Jackson-Lee	Nye
Costello	(TX)	Oberstar
Courtney	Johnson (GA)	Obey
Crowley	Johnson, E. B.	Oliver
Cuellar	Jones	Ortiz
Cummings	Kagen	Pallone
Davis (AL)	Kanjorski	Pascarell
Davis (CA)	Kaptur	Pastor (AZ)
Davis (IL)	Kennedy	Payne
DeFazio	Kildee	Pelosi
DeGette	Kilpatrick (MI)	Perlmutter
Delahunt	Kilroy	Peters
DeLauro	Kirkpatrick (AZ)	Peterson
Diaz-Balart, L.	Klein (FL)	Pingree (ME)
Diaz-Balart, M.	Kosmas	Polis (CO)
Dicks	Kucinich	Pomeroy
Dingell	Langevin	Price (NC)
Doggett	Larsen (WA)	Rahall
Donnelly (IN)	Larson (CT)	Rangel

NOT VOTING—7

Cao
Coffman (CO)
Ehlers
Melancon
Miller, Gary
Perriello

Stark

Reyes
Richardson
Rodriguez
Ros-Lehtinen
Ross
Rothman (NJ)
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schauer
Schiff
Schrader
Schwartz
Scott (GA)

Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Space
Speier
Spratt
Sutton
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Titus

Tonko
Towns
Tsongas
Turner
Van Hollen
Velázquez
Vislosky
Walz
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Wexler
Wilson (OH)
Woolsey
Wu
Yarmuth

NAYS—191

Aderholt
Akin
Alexander
Arcuri
Austria
Bachmann
Bachus
Barrett (SC)
Bartlett
Barton (TX)
Berry
Biggart
Blibray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono Mack
Boozman
Boren
Boucher
Boustany
Brady (TX)
Bright
Broun (GA)
Brown (SC)
Brown-Waite,
Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp
Campbell
Cantor
Capito
Carney
Carter
Cassidy
Chaffetz
Childers
Coble
Cole
Conaway
Crenshaw
Culberson
Dahlkemper
Davis (KY)
Davis (TN)
Deal (GA)
Dent
Dreier
Duncan
Edwards (TX)
Ellsworth
Emerson
Fallin
Flake
Fleming
Forbes
Fortenberry
Fox

NOT VOTING—7

Cao
Coffman (CO)
Ehlers

Melancon
Miller, Gary
Perriello

□ 1817

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. GENE GREEN of Texas. Mr. Speaker, on rollcall No. 104, had I been present, I would have voted “yea.”

RAISING A QUESTION OF THE PRIVILEGES OF THE HOUSE

Mr. FLAKE. Mr. Speaker, I rise to a question of the privileges of the House previously noticed.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

H. RES. 212

Whereas The Hill reported on February 10, 2009, that “a top defense-lobbying firm” that “specializes in obtaining earmarks in the defense budget for a long list of clients” was “recently raided by the FBI.”;

Whereas Roll Call reported on February 11, 2009, that “the defense-appropriations-focused lobbying shop” had in recent years “spread million of dollars of campaign contributions to lawmakers.”;

Whereas Politico reported on February 13, 2009, that “federal investigators are asking about thousands of dollars in campaign contributions to lawmakers as part of an effort to determine whether they were illegal ‘straw man’ donations.”;

Whereas Roll Call reported on February 20, 2009, that they have “located tens of thousands of dollars worth of [the raided firm]-linked donations that are improperly reported in the FEC database.”;

Whereas Roll Call also reported that “tracking Federal Election Commission records of campaign donations attributed to [the firm] is a comedy of errors, misinformation and mysteries, providing more questions than answers about how much money the lobbying firm actually raised for Congressional campaigns.”;

Whereas CQ Today reported on February 19, 2009, that “104 House members got earmarks for projects sought by [clients of the firm] in the 2008 defense appropriations bills,” and that 87 percent of this bipartisan group of Members received campaign contributions from the raided firm;

Whereas The Hill reported on February 10, 2009, that in 2008 clients of this firm had “received \$299 million worth of earmarks, according to Taxpayers for Common Sense.”;

Whereas The Hill reported on February 23, 2009, that “clients of a defense lobby shop under investigation are continuing to score earmarks from their patrons in Congress, despite the firm being on the verge of shutting its doors permanently” and that several of the firm’s clients “are slated to receive earmarks worth at least \$8 million in the omnibus spending bill funding the federal government through the rest of fiscal 2009 . . .”;

Whereas the Washington Post reported on June 13, 2008, in a story describing increased earmark spending in the House version of the fiscal year 2009 defense authorization bill that “many of the earmarks serve as no-bid contracts for the recipients.”;

Whereas the Associated Press reported on February 25, 2009, that “the Justice Department’s fraud section is overseeing an investigation into whether [the firm] reimbursed some employees for campaign contributions to members of Congress who requested the projects.”;

Whereas Politico reported on February 12, 2009, that “several sources said FBI agents have spent months laying the groundwork for their current investigation, including conducting research on earmarks and campaign contributions.”;

Whereas the reportedly fraudulent nature of campaign contributions originating from the raided firm, as well as reports of the Justice Department conducting research on earmarks and campaign contributions, raise concern about the integrity of congressional proceedings and the dignity of the institution; and

Whereas the fact that cases are being investigated by the Justice Department does not preclude the Committee on Standards of Official Conduct from taking investigative steps: Now, therefore, be it

Resolved, That (a) the Committee on Standards of Official Conduct, or an investigative subcommittee of the committee established jointly by the chair and ranking minority member shall immediately begin an investigation into the relationship between earmark requests on behalf of clients of the raided firm already made by Members and the source and timing of past campaign contributions related to such requests.

(b) The Committee on Standards of Official Conduct shall submit a report of its findings to the House of Representatives within 2 months after the date of adoption of this resolution.

The SPEAKER pro tempore. The resolution qualifies.

MOTION TO TABLE

Mr. CLYBURN. Mr. Speaker, I move to lay the resolution on the table.

The SPEAKER pro tempore. The question is on the motion.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FLAKE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

Pursuant to clause 8 of rule XX, this 15-minute vote on the motion to table will be followed by a 5-minute vote on the motion to suspend the rules on House Resolution 153, if ordered.

The vote was taken by electronic device, and there were—ayes 222, noes 181, answered “present” 14, not voting 14, as follows:

[Roll No. 105]

AYES—222

Abercrombie	Cohen	Gonzalez
Adler (NJ)	Connolly (VA)	Gordon (TN)
Altmire	Conyers	Grayson
Andrews	Cooper	Green, Al
Arcuri	Costa	Green, Gene
Baca	Costello	Griffith
Baird	Courtney	Grijalva
Baldwin	Crowley	Gutierrez
Barrow	Cuellar	Hare
Becerra	Cummings	Harman
Berkley	Dahlkemper	Hastings (FL)
Berman	Davis (CA)	Heinrich
Berry	Davis (IL)	Herseth Sandlin
Bishop (GA)	Davis (TN)	Higgins
Bishop (NY)	DeFazio	Hill
Blumenauer	DeGette	Hinchey
Boren	Delahunt	Hinojosa
Boswell	DeLauro	Hirono
Boucher	Dicks	Holden
Boyd	Dingell	Holt
Brady (PA)	Doggett	Honda
Braley (IA)	Doyle	Hoyer
Brown, Corrine	Driehaus	Inslee
Capps	Edwards (MD)	Israel
Capuano	Edwards (TX)	Jackson (IL)
Cardoza	Ellison	Jackson-Lee
Carnahan	Engel	(TX)
Carney	Eshoo	Johnson (GA)
Carson (IN)	Etheridge	Johnson, E. B.
Childers	Farr	Jones
Clarke	Fattah	Kagen
Clay	Filner	Kaptur
Cleaver	Frank (MA)	Kildee
Clyburn	Fudge	Kilpatrick (MI)

Kilroy	Napolitano	Scott (VA)
Klein (FL)	Neal (MA)	Serrano
Kratovil	Nye	Sestak
Kucinich	Oberstar	Shea-Porter
Langevin	Obey	Sherman
Larsen (WA)	Oliver	Shuler
Larson (CT)	Ortiz	Sires
Lee (CA)	Pallone	Skelton
Levin	Pascarell	Slaughter
Lewis (GA)	Pastor (AZ)	Smith (WA)
Lipinski	Payne	Snyder
Lowey	Perlmutter	Space
Luján	Peters	Speier
Lynch	Peterson	Spratt
Maffei	Pingree (ME)	Stupak
Maloney	Polis (CO)	Sutton
Markey (CO)	Pomeroy	Tanner
Markey (MA)	Price (NC)	Tauscher
Marshall	Rahall	Taylor
Massa	Rangel	Thompson (CA)
Matheson	Reyes	Thompson (MS)
Matsui	Richardson	Tierney
McCarthy (NY)	Rodriguez	Titus
McCollum	Rohrabacher	Tonko
McDermott	Ross	Towns
McGovern	Rothman (NJ)	Tsongas
McIntyre	Roybal-Allard	Van Hollen
McMahon	Ruppersberger	Velázquez
Meek (FL)	Rush	Wasserman
Meeks (NY)	Ryan (OH)	Schultz
Michaud	Salazar	Waters
Miller (NC)	Sánchez, Linda	Watson
Miller, George	T.	Watt
Mollohan	Sanchez, Loretta	Waxman
Moore (KS)	Sarbanes	Weiner
Moore (WI)	Schakowsky	Wexler
Murphy (CT)	Schauer	Wilson (OH)
Murphy, Patrick	Schiff	Woolsey
Murphy, Tim	Schrader	Wu
Murtha	Schwartz	Yarmuth
Nadler (NY)	Scott (GA)	Young (AK)

NOES—181

Aderholt	Foster	McCauley
Akin	Fox	McClintock
Alexander	Franks (AZ)	McCotter
Austria	Frelinghuysen	McHenry
Bachmann	Gallegly	McHugh
Bachus	Garrett (NJ)	McKeon
Bartlett	Gerlach	McMorris
Barton (TX)	Giffords	Rodgers
Bean	Gingrey (GA)	McNerney
Biggart	Gohmert	Mica
Bilbray	Goodlatte	Miller (FL)
Bilirakis	Granger	Miller (MI)
Bishop (UT)	Graves	Minnick
Blackburn	Guthrie	Mitchell
Blunt	Hall (TX)	Moran (KS)
Boccieri	Halvorson	Neugebauer
Boehner	Harper	Nunes
Bono Mack	Heller	Olson
Boozman	Hensarling	Paul
Boustany	Herger	Paulsen
Brady (TX)	Himes	Pence
Bright	Hodes	Petri
Broun (GA)	Hoekstra	Pitts
Brown (SC)	Hunter	Platts
Brown-Waite,	Inglis	Poe (TX)
Ginny	Issa	Posey
Buchanan	Jenkins	Price (GA)
Burgess	Johnson (IL)	Putnam
Burton (IN)	Johnson, Sam	Radanovich
Buyer	Jordan (OH)	Rehberg
Camp	Kind	Reichert
Campbell	King (IA)	Roe (TN)
Cantor	King (NY)	Rogers (AL)
Capito	Kingston	Rogers (KY)
Carter	Kirk	Rogers (MI)
Cassidy	Kirkpatrick (AZ)	Rooney
Castle	Kissell	Ros-Lehtinen
Chaffetz	Kosmas	Roskam
Coble	Lamborn	Royce
Cole	Lance	Ryan (WI)
Crenshaw	LaTourette	Scalise
Culberson	Latta	Schmidt
Davis (KY)	Lee (NY)	Schock
Deal (GA)	Lewis (CA)	Sensenbrenner
Diaz-Balart, L.	Linder	Sessions
Diaz-Balart, M.	LoBiondo	Shadegg
Donnelly (IN)	Loebach	Shimkus
Dreier	Lucas	Shuster
Duncan	Luetkemeyer	Simpson
Ellsworth	Lummis	Smith (NE)
Emerson	Lungren, Daniel	Smith (NJ)
Fallin	E.	Smith (TX)
Flake	Mack	Souder
Fleming	Manzullo	Stearns
Forbes	Marchant	Sullivan
Fortenberry	McCarthy (CA)	Teague

Terry	Upton	Wilson (SC)
Thompson (PA)	Visclosky	Wittman
Thornberry	Walz	Wolf
Tiahrt	Wamp	Young (FL)
Tiberi	Westmoreland	
Turner	Whitfield	

ANSWERED "PRESENT"—14

Barrett (SC)	Conaway	Lofgren, Zoe
Bonner	Dent	Myrick
Butterfield	Hastings (WA)	Walden
Castor (FL)	Kline (MN)	Welch
Chandler	Latham	

NOT VOTING—14

Ackerman	Ehlers	Miller, Gary
Calvert	Hall (NY)	Moran (VA)
Cao	Kanjorski	Perriello
Coffman (CO)	Kennedy	Stark
Davis (AL)	Melancon	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are less than 2 minutes remaining in this vote.

□ 1840

Messrs. MITCHELL, McNERNEY, and KISSELL changed their vote from "aye" to "no."

Mr. WELCH changed his vote from "aye" to "present."

Mr. LATHAM changed his vote from "no" to "present."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute.)

Mr. HOYER. Mr. Speaker, ladies and gentlemen of the House, as you know, the continuing resolution expires at midnight tomorrow. As you also know, the other body is still in the process of considering the omnibus appropriation that we sent to them some days ago.

They are currently in the process of voting on five amendments. That will take probably another half hour. At the conclusion of that, they will be discussing whether or not they can get to two more votes to conclude their consideration of the omnibus appropriation.

There have been no amendments adopted in the Senate to the omnibus appropriation. As a result, if there are no amendments adopted and the Senate can come to a vote sometime this evening and that is assured, then it will not be necessary for us to return tomorrow. But I cannot tell you at this point in time. I'm hopeful that by 8:30 I will be able to give you a pretty definitive word on whether or not we will need to be here tomorrow.

So I wanted to bring you up to date. We will try to have it, as I say, by 8:30. If we get it earlier, we will give you that notice earlier. But I'm hopeful that by 8:30 we will be able to inform you.

We have one more vote now; but, again, if they proceed, as has been the case, and they can get an agreement on voting tonight, then it would not be necessary for us to be here tomorrow.

If not, obviously we will have to be here tomorrow to assure that we do not shut down the government.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Without objection, 5-minute voting will continue.

There was no objection.

COMMENDING THE UNIVERSITY OF SOUTHERN CALIFORNIA ON ITS 2009 ROSE BOWL VICTORY

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution, H. Res. 153.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado (Mr. POLIS) that the House suspend the rules and agree to the resolution, H. Res. 153.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

RECORDED VOTE

Mr. CONNOLLY of Virginia. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 362, noes 15, answered "present" 4, not voting 50, as follows:

[Roll No. 106]

AYES—362

Abercrombie	Brown, Corrine	DeFazio
Aderholt	Buchanan	Delahunt
Adler (NJ)	Burton (IN)	DeLauro
Akin	Butterfield	Dent
Andrews	Camp	Diaz-Balart, L.
Arcuri	Campbell	Diaz-Balart, M.
Austria	Cantor	Dingell
Baca	Capito	Doggett
Bachmann	Capps	Dreier
Bachus	Capuano	Driehaus
Baldwin	Cardoza	Duncan
Barrow	Carnahan	Edwards (MD)
Bartlett	Carson (IN)	Ellison
Barton (TX)	Carter	Ellsworth
Bean	Castle	Emerson
Becerra	Castor (FL)	Engel
Berkley	Chaffetz	Eshoo
Berman	Chandler	Etheridge
Biggart	Childers	Fallin
Bilbray	Clarke	Farr
Bilirakis	Clay	Fattah
Bishop (GA)	Cleaver	Filner
Bishop (NY)	Clyburn	Flake
Bishop (UT)	Coble	Fleming
Blackburn	Cohen	Forbes
Blumenauer	Cole	Fortenberry
Blunt	Conaway	Foster
Bonner	Connolly (VA)	Fox
Bono Mack	Cooper	Frank (MA)
Boozman	Costa	Franks (AZ)
Boren	Costello	Frelinghuysen
Boswell	Courtney	Fudge
Boucher	Crenshaw	Garrett (NJ)
Boustany	Crowley	Gerlach
Boyd	Cuellar	Giffords
Brady (PA)	Culberson	Gingrey (GA)
Brady (TX)	Cummings	Gonzalez
Braley (IA)	Davis (IL)	Goodlatte
Bright	Davis (KY)	Gordon (TN)
Broun (GA)	Davis (TN)	Granger
Brown (SC)	Deal (GA)	Graves

Grayson	Marshall	Rothman (NJ)
Green, Al	Massa	Roybal-Allard
Griffith	Matheson	Royce
Guthrie	Matsui	Ruppersberger
Hall (TX)	McCarthy (CA)	Rush
Halvorson	McCaul	Ryan (OH)
Harper	McClintock	Salazar
Hastings (WA)	McCollum	Sánchez, Linda
Heinrich	McCotter	T.
Heller	McDermott	Sanchez, Loretta
Hensarling	McGovern	Sarbanes
Herger	McHenry	Scalise
Hereth Sandlin	McHugh	Schauer
Higgins	McIntyre	Schiff
Hill	McKeon	Schmidt
Himes	McMahon	Schock
Hinojosa	McMorris	Schrader
Hirono	Rodgers	Schwartz
Hodes	McNerney	Scott (GA)
Hoekstra	Meek (FL)	Scott (VA)
Holt	Meeks (NY)	Serrano
Honda	Mica	Sessions
Hoyer	Michaud	Sestak
Hunter	Miller (FL)	Shadegg
Inglis	Miller (MI)	Shea-Porter
Inslee	Miller (NC)	Sherman
Israel	Miller, George	Shimkus
Issa	Minnick	Shuster
Jackson (IL)	Mitchell	Simpson
Jenkins	Mollohan	Sires
Johnson (GA)	Moore (KS)	Skelton
Johnson (IL)	Moore (WI)	Smith (NE)
Johnson, E. B.	Moran (KS)	Smith (NJ)
Johnson, Sam	Murphy (CT)	Smith (TX)
Jones	Murphy, Tim	Smith (WA)
Jordan (OH)	Murtha	Snyder
Kaptur	Myrick	Space
Kennedy	Nadler (NY)	Speier
Kildee	Napolitano	Spratt
Kilpatrick (MI)	Neal (MA)	Stearns
Kilroy	Neugebauer	Stupak
King (IA)	Nunes	Sutton
Kingston	Nye	Tanner
Kirk	Oberstar	Tauscher
Kirkpatrick (AZ)	Olson	Taylor
Kissell	Olver	Teague
Klein (FL)	Ortiz	Thompson (CA)
Kline (MN)	Pallone	Thompson (MS)
Kosmas	Pastor (AZ)	Thompson (PA)
Kratovil	Paul	Thornberry
Kucinich	Paulsen	Tiahrt
Lamborn	Payne	Tiberi
Lance	Pence	Tierney
Langevin	Perlmutter	Titus
Larson (CT)	Peters	Tonko
Latham	Peterson	Towns
LaTourette	Petri	Tsongas
Latta	Pingree (ME)	Upton
Lee (CA)	Pitts	Van Hollen
Lee (NY)	Platts	Velázquez
Levin	Poe (TX)	Visclosky
Lewis (CA)	Polis (CO)	Walden
Lewis (GA)	Pomeroy	Walz
Lipinski	Posey	Wamp
LoBiondo	Price (GA)	Wasserman
Loeback	Radanovich	Schultz
Lowe	Rangel	Waters
Lucas	Rehberg	Watson
Luetkemeyer	Reichert	Watt
Lujan	Reyes	Waxman
Lummis	Richardson	Weiner
Lungren, Daniel	Rodriguez	Welch
E.	Roe (TN)	Westmoreland
Lynch	Rogers (AL)	Wexler
Mack	Rogers (KY)	Wilson (OH)
Maffei	Rogers (MI)	Wilson (SC)
Maloney	Rohrabacher	Wittman
Manzullo	Rooney	Wolf
Marchant	Ros-Lehtinen	Woolsey
Markey (CO)	Roskam	Young (AK)
Markey (MA)	Ross	Young (FL)

NOES—15

Altmire	Doyle	Rahall
Berry	Kagen	Ryan (WI)
Boccheri	Kanjorski	Sensenbrenner
Carney	King (NY)	Souder
Dahlkemper	Murphy, Patrick	Terry

ANSWERED "PRESENT"—4

Baird	Donnelly (IN)
Cassidy	Hare

NOT VOTING—50

Ackerman	Brown-Waite,	Cao
Alexander	Ginny	Coffman (CO)
Barrett (SC)	Burgess	Conyers
Boehner	Buyer	Davis (AL)
	Calvert	Davis (CA)

DeGette	Holden	Perriello
Dicks	Jackson-Lee	Price (NC)
Edwards (TX)	(TX)	Putnam
Ehlers	Kind	Schakowsky
Gallegly	Larsen (WA)	Shuler
Gohmert	Linder	Slaughter
Green, Gene	Lofgren, Zoe	Stark
Grijalva	McCarthy (NY)	Sullivan
Gutierrez	Melancon	Turner
Hall (NY)	Miller, Gary	Whitfield
Harman	Moran (VA)	Wu
Hastings (FL)	Obey	Yarmuth
Hinchee	Pascrell	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain on this vote.

□ 1851

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. CANTOR asked and was given permission to address the House for 1 minute.)

Mr. CANTOR. Mr. Speaker, I yield to the gentleman from Maryland, the majority leader, for the purpose of announcing next week's schedule.

Mr. HOYER. I thank the Republican whip for yielding.

On Monday, the House will meet at 12:30 p.m. for morning hour and 2 p.m. for legislative business.

On Tuesday, the House will meet at 10:30 a.m. for morning hour and 12 p.m. for legislative business.

On Wednesday and Thursday, the House will meet at 10 a.m. for legislative business.

On Friday, no votes are expected.

We will consider several bills under suspension of the rules. A complete list of suspensions will be announced by the close of business tomorrow, as is usual.

In addition, we will consider H.R. 1262, the Water Quality Investment Act of 2009. We also possibly will consider H.R. 157, the District of Columbia House Voting Rights Act of 2009.

Mr. CANTOR. I thank the gentleman.

Mr. Speaker, I would ask the gentleman regarding the schedule going forward if he could tell the House what the timing would be on bringing the so-called card-check bill to the floor.

Mr. HOYER. With respect to the card-check bill, as the gentleman knows, we have already passed that bill with a very handy vote. We believe that that is an appropriate bill to be passed and are supportive of it. However, we have passed that bill. The Senate has indicated that they are going to consider that bill, and my expectation is that they will be doing so in the relatively near future and we will see what action they take.

Mr. CANTOR. I thank the gentleman.

Mr. Speaker, I would say to the gentleman that we have in this House passed in prior Congresses that bill. As

the gentleman knows, there are plenty of new Members here that have not had a chance to vote on that bill. So if I hear the gentleman correctly, we will await Senate action prior to any House action.

Mr. HOYER. I want to make it clear, if the gentleman will yield, that it is our intention to move this bill, but we are expecting the Senate to move and we will see what they have done and we will take that up in good time.

Mr. CANTOR. I thank the gentleman.

Mr. Speaker, I would also like to ask the gentleman for the anticipated timing on the public lands bill and when the gentleman thinks that he will bring that to the floor.

Mr. HOYER. As you know, there is a lot of interest on both sides of the aisle on this bill and very significant interest in the Senate to see this bill completed and sent to the President. We will continue to work together with the Republican leadership and the Senate leadership to get this bill to the President's desk as soon as possible. I have discussed this, as you know, with you and the leader, so we are hoping to bring this forward soon, possibly next week.

Mr. CANTOR. I thank the gentleman.

Mr. Speaker, I would also point out to the gentleman from Maryland, there has been a lot of discussion lately, certainly on the part of the White House, the President, about his plans for making sure of the security of our troops in Iraq and his announcement of the withdrawal timeline. I know that the Speaker has also spoken out on this issue, seeming to have somewhat of a different position than the White House on this. I know the gentleman himself, I believe, has said that he is in agreement with the President. We support the President, Mr. Speaker, in his decision to listen to the commanders on the ground.

I would note that in Congresses past we certainly have had a number of resolutions based on a timeline for withdrawal of our troops, and would ask the gentleman, is he anticipating any type of resolution of disapproval of the President's announcement?

Mr. HOYER. If the gentleman will yield, as you have stated, the President announced a plan last Friday at a meeting in the White House and then announced it publicly down at Camp Lejeune. It calls for withdrawal of our troops, to be out of Iraq in terms of a military role within 18 months. This is, I think personally, a responsible plan.

The gentleman asked me whether or not I think there will be a resolution of disapproval. I don't think there will be a resolution of disapproval. Clearly, as the gentleman well knows, there will be an authorizing bill that will come forward later this spring, there will be an appropriations bill appropriating money for the Defense Department, and obviously those two opportunities will present themselves to Members who may want to express themselves on this issue.

But as to the gentleman's question, do I expect a resolution of disapproval, I do not.

Mr. CANTOR. I thank the gentleman on that.

Mr. Speaker, I would ask the gentleman just in the context of the budget discussion that is ongoing obviously here on Capitol Hill in Congress and at the White House, there are some unanswered questions as far as the Republican Conference is concerned as to the direction of this budget that the leader sees coming through the House.

Obviously there have been some discussions about charitable giving that the gentleman himself has raised concerns regarding and that I have extraordinary concerns about taking away incentives to help support our charities in such a tough economic period, and was wondering if the gentleman could comment on whether he felt that the House budget that he will bring to the floor would reflect our concern that perhaps we shouldn't be throttling back on people's giving to charities.

Mr. HOYER. If the gentleman will yield, I thank the gentleman for his question and I understand his concern. As he says, I have expressed a concern with respect to that issue. However, having said that, I am not going to anticipate at this point in time what the Budget Committee is going to do. Clearly the Budget Committee is having hearings and the Budget Committee will be, some weeks from now, marking up a budget and bringing it to the floor.

As you know, we are very committed on this side of the aisle to PAYGO, paying our bills and trying to reduce our deficit. Clearly we have added very substantially to the deficit because of the economic crisis that confronts us, but we still feel a great responsibility to move ahead on making sure that we move towards reducing that deficit in the long term.

Clearly the President has proposed from our perspective one of the most honest budgets that we have received in the sense that it includes costs of the war, it includes costs for adjusting the alternative minimum tax, it includes the costs within its budget contemplation of fixing the doctors payments for Medicare. So in all those ways and more, this budget sets forth a responsible alternative for us to pursue. In addition, as the gentleman knows, it provides for the continuation of a tax cut for 95 percent of American families and individuals. So we think those are all very important proposals. We know that the Budget Committee will be considering that.

As the gentleman knows, both your side of the aisle and my side of the aisle will be discussing and debating that and we will be adopting a budget. I do not want to at this point in time anticipate each and every item that they may or may not include in that budget, however.

Mr. CANTOR. I thank the gentleman for that answer and just would like to

underscore our concern that as he knows and we have discussed as late as today at the President's summit on health care at the White House, these are extraordinary times. We have tough choices to make.

□ 1900

Families are out there struggling to make ends meet. And the President has continued to say that we will provide tax relief for working Americans. We will provide tax relief to 95 percent of the American people.

The trouble, Mr. Speaker, that we're having is when we hear members of the President's administration talk about the President's desire to see cap-and-trade legislation pass through this House, and the admission on the part of officials in the administration that that legislation would produce \$1,300 worth of additional tax to every household in this country, if we do the math, with the Make Work Pay Program, and even if one was able to get the maximum relief under that program, that's an \$800 relief for a household. You do the math, we still are at a point where you have a \$500 deficit in each household, if every one of those were to be able to receive the maximum relief.

So I would ask the gentleman, as far as the overall sense of the budget that he will bring to the floor, are we really going to deliver on this tax relief? Or are we going to try and address this cap-and-trade program, which has now been admitted to be an extra tax that will outweigh any tax relief under the Make Work Pay Program?

I yield.

Mr. HOYER. I thank the gentleman for his question.

Let me first observe that, quite obviously, we are going to provide for tax relief, as the President said in his campaign, as he's reiterated in his speech to the joint session, tax relief for 95 percent of taxpayers. We have every intention of pursuing that.

We also have every intention of having a fiscally responsible budget. We also, as the President also indicated in his speech to the joint session, will pursue vigorously energy independence and the issue of global warming.

The gentleman speaks of one of the alternatives, an alternative proposed by the President to deal with that issue in terms of cap-and-trade. The Energy and Commerce Committee will be considering that, as the gentleman knows, and I'm not going to anticipate their specific action. But I am going to say that we are committed on this side of the aisle, as I hope your side of the aisle will be as well, to very, very substantially reducing the carbon footprint that we are making in this country, and indeed, that's being made around the world, which we believe that science is pretty clear on this. And very frankly, the previous administration, which did not express that view early in its tenure, during its last year, changed somewhat its view. In any event, we want to deal with that.

And the gentleman has mentioned an alternative the President has proposed. It's an alternative supported by a large number of people, and that is before the committee. And we'll see what the committee does with it.

Mr. CANTOR. Mr. Speaker, I thank the gentleman again, and would say that, again, our priority must be on, as he has said in the past as well, must be on this economy. It must be on maintaining, protecting and creating jobs. And we believe, as the gentleman knows, on this side of the aisle, that the way to do that is to focus on small businesses, to ensure that we're not adding burdens to the real job generators, which are our small businesses.

So if we're talking about bringing this budget forward and talking about PAYGO, as the gentleman has referred to, I know last year we passed the stimulus bill, and the gentleman indicated that we waived PAYGO back then for tax relief. I know that Members on our side of the aisle would certainly be supportive of any bit of relief we could give to those small businesses.

But, Mr. Speaker, I'd ask the gentleman again, in the context of where we're operating now, and the fact that the Dow Jones dropped another 280 points today, and the fact we've not gotten from the White House and the administration a plan for the bank fix. We don't know the direction that the TARP funding is going. We have a sense from some of the statements made in the Budget Committee and others this last several days, that the TARP money has been all committed. And if so, is there any indication, do we know how much more money will be impacting this budget?

Because, Mr. Speaker, I'd ask the gentleman how he expects this House to produce an honest budget if we do not know the plans of this administration, which will occur, I'm sure, imminently in their request for more assistance and more money towards the banking problem.

And I yield.

Mr. HOYER. I thank the gentleman for his question. Of course, at the center of that question is the crisis that we confront in the economy. As the gentleman knows, he talked about, in a bipartisan way, supporting the President's policy on Iraq. As the gentleman knows, in a bipartisan way, we supported the Bush administration's request, both in January of 2008, in September of 2008, and again in December of 2008, when the President made a request for the second tranche of the TARP. I think every Member of this Congress believes that the first tranche did not work as well as we had hoped it would work.

We also, in these past 2 weeks, have passed extraordinarily quickly and robustly, consistent with the advice of the last administration and this administration, an attempt to do what the gentleman says we want to do, create jobs.

The gentleman also knows that we passed a recovery and reinvestment bill that had over \$250 billion of tax relief, some for individuals and some for small businesses, some for businesses generally. About 35 percent of that bill was tax relief for our citizens. The other percentage of that bill was for investment, was for dealing with those who have been put at deepest risk by the economic crisis, in terms of losing jobs, in terms of not being able to feed their families and not having health care available to them.

So I say to my friend that, as we move forward on the budget, and as we look to the administration for the clarification that the gentleman seeks, appropriately, in my opinion, and in our opinion, a more specific outline of how the administration's going to proceed, we will have that in consideration when we produce a budget. And as I say, we intend to produce a responsible budget that looks towards deficit reduction. That obviously won't be until some time from now. We've got to turn this economy around, start creating jobs which, hopefully, will have the effect of the stock market going up, not down, which is to the interest of all of us.

Mr. CANTOR. Mr. Speaker, I thank the gentleman. I yield back my time.

VOTING RIGHTS FOR THE DISTRICT OF COLUMBIA

(Mr. TONKO asked and was given permission to address the House for 1 minute.)

Mr. TONKO. Two and a third centuries ago, before our United States Capitol had even been imagined, the Founders were asking a question we hear in the District of Columbia to this day, and that is, how can we cut out a city from its home State and put it under the direct rule of Congress without violating the principles that the Revolutionary War fought to secure?

James Madison argued that there was only one way around that hypocrisy, "to provide for the rights and the consent of the citizens inhabiting it." And further, its people "will have had their voice in the election of the government which is to exercise authority over them."

That was the intent of our Founders. Those were the conditions for this District to exist, but they have not been upheld. 233 years later, of all the world's democracies, there is only one national capital without full voting rights. Washington, D.C., this city full of monuments to democracy, holds that distinction. At last, that's on the verge of changing.

Soon this House will vote on a bill to give the District of Columbia a voting Member of the House of Representatives. I urge my colleagues in this Chamber to finally give the people of Washington, D.C. a vote in this great body.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. KRATOVL). Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

(Mr. CUMMINGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

STAFF-LED TOURS OF THE CAPITOL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Ms. WASSERMAN SCHULTZ) is recognized for 5 minutes.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I rise today to express my deep concern about the difficulties Member offices are experiencing offering staff-led tours of the Capitol.

As Chair of the Legislative Branch Appropriations Subcommittee, I am fully committed to making sure Member offices can continue providing this important service to their constituents.

The Capitol is not a museum. It is a living, breathing institution at the core of our representative democracy. Staff-led tours give our constituents a chance to experience the work that goes on here on a personalized level.

When there was talk last year about eliminating staff-led tours, we made clear at our oversight hearings that preserving those tours should be one of the highest priorities for the Capitol Visitor Center. Reflecting that priority, we included a provision in last year's Legislative Branch Appropriations bill prohibiting the elimination of staff-led tours.

However, preserving the existence of the tours and putting a button on the CVC Web site is simply not enough. We also need to make sure that the system in place doesn't diminish Member offices' ability to offer staff-led tours. Mr. BRADY and I intend to work aggressively over the next few weeks to ensure that improvements to the system arrive before the peak visitor season hits.

Staff who give tours should receive training, but we need to make sure that the time requirements make sense, that the training is consistent and effective, and that classes are offered frequently enough to meet Member office needs. We also need to make sure that we don't homogenize the Capitol tour and turn this beautiful institution into a museum.

Staff-led tours offer something that guide-led tours cannot, a personalized experience that incorporates items of State and local interest. We need to make sure that we don't take that personal touch out of the tour process.

We also need to make sure that Member offices are given clear information about how to accommodate their constituents if the on-line reservation system shows all the slots for a given day are taken.

The CVC Web site and reservation system also could stand improvement, particularly standardizing the on-line process for booking staff-led tours so that you don't have to hunt and peck to figure out how to book one.

I look forward to working with Mr. BRADY and the authorizing committees on these issues so we can make the existing system more user-friendly, without compromising security or overloading the Capitol building.

And I encourage and ask all Members if they have suggestions to please offer them to us.

□ 1915

DEFENDERS OF THE ALAMO THAT DIED MARCH 6, 1836 BY MARY ANN NOONON GUERRA—HISTORIAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE of Texas. Mr. Speaker, 163 years ago this night, on March the 5th, 1836, would be the last night for a group of individuals who came from all over the United States. They were from most of the States. They were from numerous foreign countries. They were odd sorts of individuals. They were frontiersmen, landowners, lawyers, unemployed. They were of all races—black, white and brown—but they were all volunteers, and most of them knew that this would be their last night after spending 12 days defending an old, beat-up Spanish fort that had already been over 100 years old. It was now a mission but also a fortress, what we call the Alamo.

You see, this odd bunch of individuals ended up there because all of them had ended up and had come to Texas from different parts of the country—from Mexico, from Europe—to seek a new life.

Backing up in history a little bit, the country of Spain had claimed most of Central America and Mexico, which included Texas at the time. Mexico decided to revolt against Spain. That revolution was successful, and in 1824, the country of Mexico adopted a constitution drafted very similarly to ours, which gave civil liberties to all people in Mexico, which included Texas.

But Mexico had a problem with a dictator. His name was Santa Anna, and when he became dictator of Mexico, he abolished the Constitution of 1824. He eliminated civil rights. He abolished the right to be tried by a jury, and he imposed dictator powers on Mexico. That offended people who lived in what is now Texas. It offended people of all races. So, in 1835, a revolution started in Texas.

Then on March the 6th, 1836, which would be tomorrow morning, 13 days after defending the Alamo, these individuals were sieged by a force of military Mexican soldiers several times the size of the 187 defenders. Most of them knew that that would be their last night on Earth and that tomorrow they would see their fate because they were outnumbered.

You have heard all of their names throughout history. Probably the most famous are a Tennessee Congressman by the name of Davy Crockett and Jim Bowie, famous from Louisiana, but there were others—Juan Sequin from Mexico, who was a scout, or William Barret Travis, the commander of the Alamo. Jim Bonham was a scout who was also a boyhood friend of William Barret Travis. In all, there were 187. William Barret Travis was a 27-year-old lawyer from South Carolina, then Alabama, and then he came to what is now Texas.

All of these individuals called themselves, not Texans, but Texistans. Even Hispanic defenders of the Alamo referred to themselves as Tehanos, or Texistans.

No one came to the help of the individuals who were at the Alamo, even though Travis had sent out numerous requests for aid, except for 32 men from the small town of Gonzales. They marched their way into the Alamo walls, and when they arrived, Travis made the comment, "These men came to die."

We all have heard about his famous letter that he has written, that is now in history, about how he had asked for aid and about how he was determined to sustain himself for as long as possible, which he did.

Some historians say and tradition says that, before the last day took place on March the 5th, in the evening, William Barret Travis drew a line in the sand with his sword, and he told those individuals who wanted to fight, and yet die for the Republic of Texas, to cross the line.

Historians say the first person to cross the line was a 26-year-old kid from Ohio. All walked over except an individual by the name of Moses Rose. Moses Rose was an individual from France, and he decided not to stay at the Alamo, and left over the Alamo wall. He later became one of the biggest sources for what took place at the Alamo.

That next morning, Santa Anna assaulted the troops, assaulted the fort, and after several hours of fighting, the fort was taken. What few defenders were captured after they surrendered were summarily executed, and the bodies were burned. William Barret Travis made the comment that victory would be more costly to the enemy than defeat. He was right. Ten times the number of Santa Anna's military and army were defeated and killed at that battle.

Mr. Speaker, it's important that we remember the men of the Alamo who fought for victory in the Republic of

Texas. It's important that we always remember anybody anywhere in the world who fights for liberty, and we honor those people tonight.

And that's just the way it is.

DEFENDERS OF THE ALAMO THAT DIED MARCH 6, 1836, BY MARY ANN NOONON GUERRA, HISTORIAN

Abamillo, Juan, San Antonio (Mexico); Allen, Robert, Virginia; Andross, Miles DeForest, 21, Vermont; Autry, Micajah, 42, North Carolina; Badillo, Juan Antonio, San Antonio (Mexico); Bailey, Peter James III, Kentucky; Baker, Isaac G., 22, Arkansas; Baker, William Charles M., Missouri; Ballentine, John J., Pennsylvania; Ballentine, Richard W., 22, Scotland; Baugh, John J., 33, Virginia; Bayliss, Joseph, 28, Tennessee; Blair, John, Tennessee; Blair, Samuel C., 33, Tennessee; Blazeby, William, 41, England; Bonham, James Butler, 29, South Carolina; Bourne, Daniel, 26, England; Bowie, James, 40, Kentucky; Bowman, Jesse B., 51, Tennessee; Brown, George, 35, England; Brown, James Murry, 36, Pennsylvania; Brown, Robert, 18, Unknown; Buchanan, James, 23, Alabama; Burns, Samuel E., 26, Ireland; Butler, George D., 23, Missouri; Cain (Cane), John, 34, Pennsylvania; Campbell, James (Robert), 26, Tennessee; Carey, William R., 30, Virginia; Clark, Charles Henry, Missouri; Clark, M.B., Mississippi; Cloud, Daniel William, 24, Kentucky; Cochran, Robert E., 26, New Hampshire; Cottle, George Washington, 27, Missouri; Courtman, Henry, 28, Germany; Crawford, Lemuel, 22, South Carolina; Crockett, David, 50, Tennessee; Crossman, Robert, 26, Pennsylvania; Cummings, David P., 29, Pennsylvania; Cunningham, Robert W., 34, New York; Darst, Jacob C., Kentucky; Davis, John, Kentucky; Day, Freeman H.K., Unknown; Day, Jerry C., Missouri; Daymon, Squire, Tennessee; Dearduff, William, Tennessee; Dennison, Stephen (or Ireland), England; Despallier, Charles, Louisiana; Dickerson (Dickinson), Almeron, 36, Tennessee; Dimpkins, James R., England; Duvalt, Andrew, Ireland; Espalier, Carlos, San Antonio (Mexico); Esparza, Gregorio (Jose Maria), San Antonio (Mexico); Evans, Robert, Ireland; Evans, Samuel B., New York; Ewing, James L., Tennessee; Fishbaugh, William, Alabama; Flanders, John, Massachusetts; Floyd, Dolphin Ward, North Carolina; Forsyth, John Hubbard, 39, New York; Fuentes, Antonio, San Antonio (Mexico); Fuqua, Galba, Alabama; Garnett, William, Virginia; Garrand, James W., Louisiana; Garrett, James Girard, Tennessee; Garvin, John E., Unknown; Gaston, John E., 17, Kentucky; George, James, Unknown; Goodrich, John Camp, Virginia; Grimes, Albert (Alfred) Calvin, Georgia; Gwynne, James C., England; Hannum, James, Pennsylvania; Harris, John, Kentucky; Harrison, Andrew Jackson, Tennessee; Harrison, William B., Ohio; Haskell, Charles M., Tennessee; Hawkins, Joseph M., Ireland; Hays, John M., Tennessee; Herndon, Patrick Henry, Virginia; Hersee, William Daniel, England; Holland, Tapely, 26, Ohio; Holloway, Samuel, Pennsylvania; Howell, William D., Massachusetts; Jackson, Thomas, Ireland; Jackson, William Daniel, Kentucky; Jameson, Green B., Kentucky; Jennings, Gordon C., Connecticut; Jimenez, Damacio, San Antonio (Mexico); Johnson, Lewis, Wales; Jones, John, New York; Kellogg, John Benjamin, Kentucky; Kenny, James, Virginia; Kent, Andrew, Kentucky; Kerr, Joseph, Louisiana; Kimble (Kimbell), George C., Pennsylvania; King, William Phillip, 15, San Antonio (Mexico); Lewis, William Irvine, San Antonio (Mexico); Lightfoot, William J., San Antonio (Mexico); Lindley, Jonathan L., Illinois; Linn, William, Massachusetts; Losoya, Jose Toribio,

San Antonio (Mexico); Main, George Washington, Virginia; Malone, William T., Virginia; Marshall, William, Tennessee; Martin, Albert, Rhode Island; McCafferty, Edward, Unknown; McCoy, Jesse, Tennessee; McDowell, William, Pennsylvania; McGee, James, Ireland; McGregor, John, Scotland; McKinney, Robert, Tennessee; Melton, Elice (Eliel), 38, Georgia; Miller, Thomas R., Tennessee; Millsaps, Isaac, 41, Mississippi; Mills, William, Tennessee; Mitchasson, Edward F., Virginia; Mitchell, Napoleon B., Unknown; Moore, Robert B., Virginia; Moore, Willis A., Mississippi; Musselman, Robert, 31, Ohio; Nava, Andres, San Antonio (Mexico); Neggan, George, South Carolina; Nelson, Andrew M., Tennessee; Nelson, Edward, South Carolina; Nelson, George, South Carolina; Northcross, James, Virginia; Nowlan, James, England; Pagan, George, Mississippi; Parker, Christopher Adams, Mississippi; Parks, William, North Carolina; Perry, Richardson, San Antonio (Mexico); Pollard, Amos, 33, Massachusetts;

Reynolds, John Purdy, Pennsylvania; Robertson, James Waters, Tennessee; Roberts, Thomas H., Unknown; Robinson, Isaac, Scotland; Rose, James M., Ohio; Rusk, Jackson J., Ireland; Rutherford, Joseph, Kentucky; Ryan, Isaac, Louisiana; Scurluck, Mial, North Carolina; Sewell, Marcus L., England; Shied, Manson, Georgia; Simmons, Cleveland Kinloch, 21, South Carolina; Smith, Andrew H., Tennessee; Smith, Charles S., Maryland; Smith, Joshua G., North Carolina; Smith, William H., Unknown; Starr, Richard, England; Stewart James E., England; Stockton, Richard Lucius, New Jersey; Summerlin, A. Spain, Tennessee; Summers, William E., Tennessee; Sutherland, William Depriest, 18, Alabama;

Taylor, Edward, Tennessee; Taylor, George, Tennessee; Taylor, James, Tennessee; Taylor, William, Tennessee; Thomas, B. Archer M., Kentucky; Thomas, Henry, Germany; Thompson, Jesse G., Arkansas; Thomson, John W., North Carolina; Thurston, John M., Pennsylvania; Trammel Burke, Ireland; Travis, William Barret, 27, South Carolina; Tumlinson, George W., Missouri; Tylee, James, New York; Walker, Asa, Tennessee; Walker, Jacob, 37, Tennessee; Ward, William B., 30, Ireland; Warnell, Henry, 24, Arkansas; Washington, Joseph G., Kentucky; Waters, Thomas, England; Wells, William, Georgia; White, Isaac, Alabama; White, Robert, Unknown;

Williamson, Hiram James, Pennsylvania; Wills, William, Georgia; Wilson, David L., Scotland; Wilson, John, 32, Pennsylvania; Wolfe, Anthony (Avram), England; Wright, Claiborne, North Carolina; Zanco, Charles, Denmark; and John (last name unknown), Unknown.

IMPLEMENTING THE PRESIDENT'S PLAN: AN OUTLINE FOR ACTION IN IRAQ

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, the Center for Arms Control and Non-proliferation has released a report. It's called "Implementing the President's Plan: An Outline for Action in Iraq."

This report, based on the Obama plan to redeploy U.S. troops and military contractors in 16 months, was written by retired military leaders Colonel Richard L. Klass, Lieutenant General Robert G. Gard, Jr., and Brigadier General John Johns.

In a town full of reports, theirs is unique because it gives a clear outline of just how to execute the administration's original plan for a responsible and orderly redeployment from Iraq. Anyone who questioned the original proposal just needs to listen to those who know what it really means to carry out a military plan.

About the 16-month timeline, retired Army Lieutenant General Robert Gard says, "President Obama's plan to remove combat forces from Iraq is militarily workable and can be executed responsibly."

Echoing what many of us in Congress have been saying for years, retired Air Force Colonel Richard Klass said, "Redeployment of U.S. combat forces should be coupled with a diplomatic surge to help stabilize Iraq."

Mr. Speaker, instead of a residual force of up to 50,000 troops, this plan proposes a workable U.S. redeployment schedule that would result in, first, 100,000 total U.S. troops remaining in Iraq by the end of 2009 and 35,000 to 65,000 support troops remaining in Iraq up until 2010 when the President's 16-month timetable would end, if it is initiated by April 2009, and less than 1,000 troops remaining by December 2011 when the U.S.-Iraqi security agreement mandates that all U.S. forces be out of Iraq.

Not only would this plan redeploy troops and military contractors, but it would ensure that the United States will not have any permanent bases in Iraq. Even though the report comes from former military brass, they readily acknowledge that there is no military solution to the situation in Iraq.

The report calls for a strong diplomatic surge. It goes on to say, "The United States needs to undertake an all-fronts diplomatic initiative to engage the nations of the region to help stabilize Iraq."

The evidence keeps mounting up, Mr. Speaker, and the extended occupation of Iraq is not in the interest of the United States, of the international community or of the Iraqi people. I encourage our military and foreign policy leaders to look closely at this report and to heed the American people. We must redeploy all troops and military contractors from Iraq, and we must do it as soon as possible.

TAKING CARE OF OUR NATION'S VETERANS—LCPL JEREMY SMERUD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES. Mr. Speaker, our Nation has asked many of its military personnel to serve in Iraq and in Afghanistan to fight for freedom and for the protection of the American people. Unfortunately, many of these servicemembers are returning home with symptoms of post-traumatic stress disorder—PTSD—and other mental health challenges.

A 2008 study by the RAND Corporation found that nearly 20 percent of Iraq and Afghanistan veterans have symptoms of PTSD or major depression. This study also found that many servicemembers say they do not seek treatment for psychological illnesses because they fear it will harm their careers. If our government and the military fail to address problems associated with PTSD, the situation will only grow worse in future years.

One disturbing example involves Lance Corporal Jeremy Smerud, a marine who is stationed in my district at Camp Lejeune.

Last month, I received a letter from his mother, who is very concerned about how the Marine Corps is treating her son. Mr. Speaker, for the second time, I would like to read the letter from Jeremy's mother:

"My son joined the Marine Corps while still in high school. I remember him as a little boy, looking in awe of his grandfather in his Marine Corps uniform and telling me that was what he was going to be when he grew up.

"Growing up, Jeremy was the son every parent could be proud of. He never got into any trouble in school. He was always there to help with his younger siblings, held a job after school, and was extremely active in the Boy Scouts. He earned his rank of Eagle Scout at the age of 16. Because of his Eagle Scout status, he entered the Marine Corps as a PFC and quickly rose to the rank of sergeant within his first 3 years in the Marines. He was an exemplary marine and an exemplary young man.

"If you review his military records, you can plainly see that Jeremy had no problems with behavior or performance prior to his deployment to Iraq and Afghanistan. He has had a very difficult time readjusting to life after the conflict. He came home to a 'Dear John' letter, has had several friends injured and killed, and has seen more destruction than most of us will in a lifetime. Having no one to turn to for help because of the stigma and the fear of losing his career, he started drinking to self-medicate and to be able to sleep.

"Congressman, do you know what it is like to listen to your once strong son cry like a baby at 3:30 in the morning 3 or 4 times a week because he cannot handle what he has been through? Wanting to kill himself because he doesn't feel he is worthy to live because his brothers were shot? Do you know what it's like to be 1,500 miles away and not have the ability to help him through this, all the while wondering and asking why the Corps he so proudly served and willingly has written him off as worthless and weak and has offered no help to prevent him from faltering further?

"I am so desperately disappointed in the way the Corps has treated my son. My son left the Marine Corps 100 percent intact. He will be leaving the Marine Corps with two feet that are fractured, back and knee problems, de-

creased hearing, decreased vision, and PTSD that will carry a life-long burden for him.

"Yet, according to the Corps, he has disgraced them by his behavior and is no longer worthy. The way I see this, they used him, abused him, now will discard him and find some fresh, young man who isn't tainted, and they will mold him and ask him to sacrifice himself for their cause, and when he is no longer of use to them, they will discard him as well.

"I hope with all my heart the Marine Corps will find the moral courage to do the right thing when it comes to not only Jeremy but all other young men and women who need their help and guidance."

Mr. Speaker, I along with Congressman TOM LATHAM have written the Commandant of the Marine Corps about this marine who is pending Involuntary Administrative Separation due to misconduct. Lance Corporal Smerud's fitness report proved that he was an outstanding marine prior to his deployments. His medical board report states, "His service in the Marine Corps caused his PTSD and indirectly his incidents/legal problems. The Marine Corps' failure to treat him in the past and treat him appropriately has done nothing but worsen the problem."

Mr. Speaker, it will be difficult for this marine to succeed in life if he is administratively separated from the Service. He will not be eligible for TRICARE benefits; he will have difficulty obtaining a job, and it is unlikely that a university will accept him as a student. This is a story of one marine, but this is not an isolated problem. The culture within all branches of Service must change to recognize that PTSD is a real concern that must be addressed.

Mr. Speaker, as I close, I want to say that I have great faith in the Marine Corps and in all of our Services. I ask the Marine Corps to please look into this case and all cases of those who have PTSD. They deserve the love, and they deserve the treatment of this Nation. With that, Mr. Speaker, I ask God to continue to bless our men and women in uniform, to bless the families who have given their loved one in Afghanistan and in Iraq—those who have died—and to bless the wounded, and I ask God to continue to bless America.

□ 1930

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. TOWNS) is recognized for 5 minutes.

(Mr. TOWNS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THREE CUPS OF TEA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. McDERMOTT) is recognized for 5 minutes.

MR. McDERMOTT. Mr. Speaker, I just returned from a codel to Iraq and Afghanistan. There's a lot to reflect on after a trip, especially the wisdom in a book entitled "Three Cups of Tea." It relates to our military involvement and misjudgments—first in Iraq and, potentially now, in Afghanistan.

Before I go further, let me say that we cannot do enough to recognize and honor our soldiers and their bravery and dedication and love for our country.

For a few brief moments, we got a taste of what they endure every day. Every member of the codel was equipped with body armor and helmets, and you quickly realize the dangers and stresses our soldiers endure every day. We owe them our gratitude, our support when they return, and the confidence in knowing that our government will only place them in harm's way as a last resort. We failed that responsibility in Iraq, and many are asking whether we may fail again in Afghanistan. We are the most powerful Nation on Earth, but our bullets and bombs cannot penetrate the corridors of history. And the book "Three Cups of Tea" provides a powerful reminder that we must silence the guns if we are to hear the voices of truth coming from history.

Greg Mortenson, who wrote the book, was in Afghanistan and Pakistan on the border. And he there met an Elder who said, "These mountains have been here a long time and so have we. You can't tell the mountains what to do. You must listen to them. So now I'm asking you to listen to me. By the mercy of Almighty Allah, you have done much for our people, and we appreciate it. But now you must do one more thing for me."

Mortenson said, "Anything."

He said, "Sit down. And shut your mouth. You're making everyone crazy."

Then he began to make tea. When the porcelain bowls of hot butter tea were in our hands, Mortenson said the Elder spoke and said, "If you want to thrive in Baltistan, you must respect our ways. The first time you share tea with a Balti, you are a stranger. The second time you take tea, you are an honored guest. The third time you share a cup of tea, you become family, and for our family, we are prepared to do anything, even die."

"Doctor Greg, you must make time to share three cups of tea. We may be uneducated. But we are not stupid. We have lived and survived here for a long time."

"That day, the Elder taught me," says Mortenson, "the most important lesson I've ever learned in my life. We Americans think you have to accomplish everything quickly. We're the country of the thirty-minute power lunch and the two-minute football drills. Our leaders thought their 'shock and awe' campaign would end the war in Iraq before it even started. The elder taught me to share three cups of tea to

slow down and make building relationships as important as building projects.

"He taught me that I had more to learn from the people I work with than I could ever hope to teach them."

There are many nations and languages and religions in the world today, but there is one thing true in all this diversity. Those who do not learn the lessons of history are doomed to repeat them.

After Vietnam, many Americans said it will never happen again. But it has. We were misled into waging a false war in Iraq, and now we are beginning to transfer soldiers from Iraq to Afghanistan. When will we learn?

Russia once and Britain twice believed that the tread of their tanks and the velocity of their shells could flatten the mountains of history in Afghanistan and pave the way for outside control. But the mountains are still standing and history has recorded new chapters which recount and reflect on the folly of nations that believe military power is all powerful. History tells us otherwise. The Iraq war was a mistake, and I fear we may be heading for another quagmire in Afghanistan.

"Three Cups of Tea" is now required reading for everyone in the CIA. It should be required reading for every Member of Congress.

We need to listen to the mountains.

SPENDING IS OUT OF CONTROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

MR. BURTON of Indiana. Mr. Speaker, things are happening so fast in this body and the other body and down on 1600 Pennsylvania Avenue at the White House, I don't see how Members of Congress—let alone the American people—can keep up with it.

Let us just take a quick look at what happened in the last 7, 8, 9 weeks. We got the second tranche of the TARP bill. That TARP spending was \$700 billion. People can't get their arms around what \$700 billion is, but \$700 billion to save our economy.

And then the automobile industry had problems. And so we had an auto bailout, first tranche, of \$14 billion. And then we had to have an economic stimulus package because the economy wasn't responding as we wanted it to. So we passed an economic stimulus that was \$787 billion more; and with interest, that was well over a trillion dollars.

And we have an omnibus spending bill that's pending in the Senate right now tonight for \$410 billion. And the President has a budget he's proposing to the Congress for \$3.9 trillion, and \$635 billion of that is the first down payment on a national health care of a socialized medicine approach for helping us with our health care problems in this country.

Now, yesterday, Senator DODD and Senator SHELBY were talking to the

Fed and said, "We want to know where this money's been going." And the Fed said, "We're not going to tell you."

Now, can you imagine the Senate Banking Committee or the House Banking Committee being stonewalled by the Fed saying, "We're not going to tell you where we're spending these trillions of dollars"? And Geithner over at Treasury said he may have to put another \$2 or \$3 trillion into the financial institutions to keep the economy moving.

Now, you go past that and you say, What about taxes on the American people: \$1.6 trillion increase in the budget, and the 2001-2003 tax cuts that we've put in place are going to expire. When those tax cuts expire, that, in essence, is a tax increase. And this is no time for a tax increase.

And the death tax, which we were trying to do away with so we could pass businesses onto the next generation without a huge tax liability that would run them out of business, they're going to do away with the death tax cut.

Now, in addition to that, we have what's called a carbon tax or an energy tax. That's going to be \$646 billion in new taxes that's going to be passed on to the consumer every time they turn on their lights or buy a gallon of gas or use a lump of coal.

Now, they're going to reduce the mortgage deduction. If you've got a house and you've been deducting the mortgage interest on it, they're going to reduce. The administration and the Democrats in this body are going to reduce or try to reduce the amount of tax deductibility on your mortgage interest. And I'm sure that's going to be a reason to buy new houses when you do away with one of the incentives for people by doing away with part of their mortgage deduction interest on interest.

And then for charitable institutions—and this is happening so fast, you can't keep up with it. Charitable institutions—your church, the Salvation Army, the Boy Scouts of America, all of those whom you support and give money to—they want to reduce the tax deductibility for those contributions. Every charitable institution in this country ought to be marching on this Capitol saying, "Hey. Enough. We need those tax deductions so we can encourage people to help us so the burden of helping people in this country doesn't fall completely on the Federal Government."

But sometimes I wonder if this White House and this administration and the Democrats don't want the government to take over everything in a socialistic approach to government.

Now, the 2010 budget would increase the national debt by \$12.3 trillion over the next 10 years, \$12.3 trillion more. And that is more of the debt that's been accumulated since the beginning of the Republic in 1789 until today. That's how fast we're spending this money.

And in 2007, when my colleagues on the other side of the aisle took control of the Congress, CBO said we would have an \$800 billion surplus in 10 years; and after 2 years of their leadership, instead of an \$800 billion surplus in the next 10 years, we're going to have a \$7.8 trillion deficit. Now, they'll try to blame that all on the White House, but they were in charge of the spending because they had control of both Houses of Congress.

Now, there was an article written just yesterday saying the money supply in this country has been increased by three times almost, 271 percent. What does that mean? That means we have almost three times as much money in circulation. It's being hoarded by a lot of people because they're scared to death. But when that money gets into circulation, we're going to have very high inflation. You're going to see the cost of bread and milk and gas and everything go through the roof.

Well, Mr. Speaker, there is so much more to tell and so little time. I will be back, and I hope the American people are paying attention, Mr. Speaker.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

HONORING THE LIFE OF STAFF SERGEANT DANIEL TALLOUZI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico (Mr. HEINRICH) is recognized for 5 minutes.

Mr. HEINRICH. Mr. Speaker, today I rise to honor the life of Staff Sergeant Daniel Tallouzi of New Mexico's First Congressional District.

Staff Sergeant Tallouzi was a vibrant young Son of Albuquerque and a graduate of Valley High School. He loved to make his family laugh and followed in the honorable footsteps of his three uncles and older brother, Christopher, to serve in the United States military.

Daniel Tallouzi served in the rank of staff sergeant at the young age of 22 until his post at Camp Taji in Baghdad was hit by a mortar explosion in September of 2006. Staff Sergeant Tallouzi suffered a traumatic brain injury as a result of that attack, and sadly, he succumbed to that injury this past Saturday. My heart goes out to Staff Sergeant Tallouzi's mother Mary, a single parent who left her job to spend every waking minute at her son's side during his rehabilitation.

Staff Sergeant Tallouzi's death is a tragic reminder that we must do all we can to provide our veterans returning from combat with the very best treatment, counseling and care.

Ms. Tallouzi, on behalf of the people of Daniel's congressional district, I ex-

press my heartfelt condolence to you for the loss of your son and my deepest gratitude for his sacrifice to our country.

Thank you.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. WOLF) is recognized for 5 minutes.

(Mr. WOLF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

INHUMANE ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. McCOTTER) is recognized for 5 minutes.

Mr. McCOTTER. Mr. Speaker, we live amid an inhumane economy. We need to look no further for proof than the unemployment figures released today from my home State of Michigan, an unemployment number that has climbed to 11.6 percent and has seen tens of thousands of my friends and neighbors lose their jobs.

As people know, Michigan is an automotive and manufacturing State. We get sicker quicker, and we heal more slowly in difficult times. But I encourage them to make no mistake, what happens in Michigan will happen in the rest of America. And we cannot let that continue.

One of the things that has caused the current crisis we are in is a theory. Many of us have heard it. Namely, it is the theory that some institutions are too big to fail. And yet, after the loss of millions of jobs and the expenditure of hundreds of billions of taxpayer dollars, we find out that these institutions were, in fact, not too big to fail; they were too big to succeed.

Over the decades, this problem has arisen, and yet, if we look back over those same decades, there were voices of reason warning us that we should seek a more humane economy. And I quote one of those individuals:

"Even as the drive toward bigness (and) concentration . . . has reached heights never before dreamt of in the past, we have come suddenly to realize how heavy a price we have paid: in overcrowding and pollution of the atmosphere, and impersonality; in growth of organizations, particularly government, so large and powerful that individual effort and importance seem lost; and in loss of the values of nature and community and local diversity that found their nurture in the smaller towns and rural areas of America. And we can see . . . that the price has been too high. Bigness, loss of community, organizations and society grown far past the human scale—these are the besetting sins which threaten to paralyze our very capacity to act, or our ability to preserve the traditions and values of our past in a time of swirling, constant change.

□ 1945

"Therefore, the time has come when we must actively fight bigness and

overconcentration, and seek instead to bring the engines of government, of technology, of the economy, fully under the control of our citizens, to recapture and reinforce the values of a more human time and place.

"It is not more bigness that should be our goal. We must attempt, rather, to bring people back to the warmth of community, to the worth of individual effort and responsibility, and of individuals working together as a community to better their lives and their children's future. It is the lesson that government can follow the leadership of private citizens; that men who are citizens in the full sense of the word need not belong to the government in order to benefit their community. And it is the lesson that if this country is to move ahead, it will not be by making everything bigger, not by piling all our people further on top of one another in huge cities, not by reducing the citizen to the role of passive consumer and recipient of the official vision, the official product." These were the words spoken on September 17, 1966 of the junior Senator from New York, Robert Francis Kennedy.

Today, as we seek a better world and a more humane economy, we should remember his words. For after trillions of dollars in potential government expenditures, the amassing and concentration of power in Washington, we can see that we are no better off, as the unemployment figures in Michigan portend. What we really have to do is realize that as the dot-com bubble was replaced by the housing bubble, we must not attempt to replace the housing bubble with a government bubble. For when that bubble bursts, what will be left?

What we need to do is seek a way to free the entrepreneurial spirit of the American people, to allow them, with their own hands and genius, to rebuild their lives, to rebuild and restore order, opportunity, and prosperity to our chaotic economy, and to preserve the cherished America we all call home. We will.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

(Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MCHENRY) is recognized for 5 minutes.

(Mr. MCHENRY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

(Mr. PAUL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BROUN) is recognized for 5 minutes.

(Mr. BROUN of Georgia addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

PROGRESSIVE CAUCUS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Minnesota (Mr. ELLISON) is recognized for 60 minutes as the designee of the majority leader.

Mr. ELLISON. Here we are for yet another Progressive Caucus, progressive message coming to the American people to articulate a progressive vision for the society that we live in.

I'm so happy to be talking about the progressive message today. And I'm going to be joined by our chairwoman, who is none other than Congresswoman LYNN WOOLSEY, and I look forward to having a very robust dialogue today.

Well, it's budget time, time to discuss the budget. And what better time than budget time to talk about how we're going to reshape our budget in a progressive and effective way that will reflect the needs and wants of the American people. Budget time, where we look at things, where we set our priorities, and where we really examine where we're going.

Tonight we're going to focus on a particular part of the budget. We're going to talk about the defense budget and the need for reform, to review what we've been spending our money on, to make sure that while we absolutely protect the American people, that we do not spend so much money that the American people really can't afford it, and that we try to get that peace dividend that after the fall of the Soviet Union we all thought we would be realizing. This is what we're going to talk about tonight with the progressive message, which we come to you with every single week.

The progressive message tonight: The budget. Tonight: The defense appropriation and how this particular end of the budget needs to be cut so that we, as Americans, can have the money we need to not only keep America safe, but also to keep America in the black and not in the red. Very important dialogue tonight.

Let me invite our chairwoman, LYNN WOOLSEY, to have some open remarks. I yield to the gentlelady from the great State of California.

Ms. WOOLSEY. Mr. Speaker, as co-Chair of the Congressional Progressive Caucus, it is my honor to be here again tonight with Congressman ELLISON and other members of the Progressive Caucus who will come down to talk about the Federal budget and our progressive priorities.

When we talk about the budget, it's easy for people to have their eyes just glaze over because they automatically think we're going to be talking about a

bunch of numbers on a page. But, you know, this budget and every budget is so much more than that. While you will hear a bunch of numbers being thrown around here for the next hour, the important thing that must be remembered is that all of these figures represent what we believe. They represent what we, as a Nation, have as our priorities, what that says to every citizen of this country and every nation around the world.

The funding decisions that are included in the budget are the choices that every Member of Congress must make on what our priorities as a country should be for the next—not 1 year, but 10 years. These are choices that affect the lives of every single American. It is choices like whether or not we ensure that everyone will receive adequate health care, or whether or not we build yet another weapons system that we don't need. And these choices speak as loudly as anything on who we are as a Nation. That's why it's so important to talk about this and to understand what the numbers in the budget mean for our constituents, and to let them know that all this isn't set in stone, but that there are real choices to be made.

For the past 2 years, and again this year, the Progressive Caucus will be offering a full budget alternative, an alternative that will bring defense spending under control, that will balance our tax code to ensure that everyone is paying their fair share, and invests in renewable energy, in education, transportation, housing, veterans benefits, and health care for all.

These are our priorities; they're priorities that we, as progressives, have laid out. And I look forward to discussing all this with my progressive colleague, Mr. ELLISON, and others who are here tonight.

Mr. ELLISON. All right. Well, it's good to be here again. Thanks for getting us started.

Let me invite Congressman POLIS from the great State of—

Mr. POLIS. Colorado.

Mr. ELLISON. Colorado. Congressman POLIS, forgive my lack of sharpness on that point. But you're a welcomed friend tonight, and we want to thank you.

Would you like to make some opening comments as we begin to talk about the progressive message, the progressive budget, and we're going to be focusing on responsible defense spending tonight?

Mr. POLIS. Yes, I do. Thank you so much to my colleague from Minnesota. I'm a new member of the Progressive Caucus.

Mr. ELLISON. And we're honored to have you.

Mr. POLIS. I am pleased to inform my colleagues that we have joined as of yesterday. And I'm particularly thrilled that we're willing to look at defense spending as part of the overall picture. It's hard to have a real route to fiscal responsibility and balancing

our budget without looking at defense spending. And whether we're looking at 3 years or 5 years or 10 years out, this is going to be a critical component of the return to fiscal responsibility. I look forward to being a voice for that within the Progressive Caucus.

Mr. ELLISON. Well, Congressman POLIS, you are a very welcomed voice. We agree wholeheartedly.

You know, the American people may be under the mistaken impression that the more money you spend on defense, the more secure you're going to be. Well, tonight we're going to talk about how that isn't true.

What I want to do is start out by quoting our President, Barack Obama, in his first address to Congress last Tuesday. He said, "We will eliminate the no-bid contracts that have wasted billions in Iraq and reform our defense budget so that we're not paying for Cold War era weapons systems we don't use. At the risk of repetition let me just say, "We will eliminate the no-bid contracts that we have wasted billions in Iraq and reform our defense budget so that we are not paying for Cold War era weapons systems we don't use."

When I quote that statement of our President, Congresswoman WOOLSEY, what sort of thoughts come to mind for you?

Ms. WOOLSEY. Well, the first thought that comes to my mind is, the Cold War is over, it's been over for a long time, and why are we still investing in weapons systems and equipment to fight the second generation of Russian weapons that aren't even being produced in Russia? Why are we doing that? What is it costing us? And what can we do with that money instead of wasting it?

Mr. ELLISON. Well, Congresswoman WOOLSEY, you know every dollar spent is a dollar earned by somebody. And I imagine that these weapons systems may be quite a pretty penny for some people.

Congressman POLIS, when I read that quote from our President—you were here last Tuesday night—what sort of thoughts come to you right away?

Mr. POLIS. Well, you know, there comes a point when more spending equals less security. And you need to look at the whole picture, including the diplomatic picture with regard to foreign aid, with regard to helping developing nations, with regard to promoting peace in the Middle East and elsewhere.

Mr. ELLISON. Well, I think that's dead on the mark.

I want to say that, just yesterday, President Obama began by making good on his promise by signing the Presidential memorandum that will reform government by contracting. What this memorandum talks about is strengthening oversight and management of taxpayer dollars, ending unnecessary no-bid, cost-plus contracts, and maximizing the use of competitive procurement processes and clarifying the rules prescribing when outsourcing is and is not appropriate.

The Office of Management and Budget will be tasked with giving guidance to every agency on making sure contracts serve taxpayers, not contractors. It's important to focus on who really matters here; this is taxpayer and American citizens, not contractors. That's the focus that we need to have. So I'm very happy to see the President taking the focus and really drilling down on getting the most for the American taxpayer.

I think we've also been joined by the gentleman from the State of Washington who has been pitching hard for so long, speaking so eloquently for so long about issues of peace, issues of security, and important issues on the welfare of the American people. I am speaking of none other than JIM McDERMOTT of the State of Washington.

I would yield to the gentleman for any comments you might make on this important topic tonight.

Mr. McDERMOTT. Well, I have to commend you for coming out here and talking about the defense budget.

There's a lot of talk in Congress about entitlements. When we talk about entitlements, people think, oh, you mean Medicare and you mean welfare and you mean Social Security and all these things, but there is, in fact, a defense entitlement in this country. It's as though the Defense Department is entitled to get more and more money every year. And anything anybody can think up for a new defense system, we wind it up, whether it makes any sense or not.

Now, if you look at the wars that we've been involved in or the military actions that we've been involved in, they have not been standard wars where tanks are facing tanks or machine guns; it has been mostly counter-insurgency, guerrilla-type events. And we continue to spend huge amounts of money on a variety of weapons that simply don't deal with what the country is facing today. And I think that the most egregious example of this was when the last administration decided that Iran was a problem; therefore, we have to have a missile defense system in Europe against Iran. So we went to the Czech Government, we leaned on them. They said, okay, you can have a tracking station here. And we went to the Poles and said, we're going to put missiles right on the border with Russia.

Now, first of all, they've made Iran into a boogymen. And they began to create a defense, and suddenly we're selling and we're putting all this stuff out there, and lo and behold, the Russians don't like it. Now, is that any surprise? If you were a sovereign country and somebody came and put missiles right on your border, how can you possibly think that that wouldn't be responded to by the Russians?

The next thing we know, they go into Georgia. And everybody's all up in arms and saying, oh, my goodness, my goodness, what are they doing going

into Georgia? Well, if you go on a pretext to go into Iraq and attack Iraq, the Russians say, look, we went into a next-door neighbor that asked for our help. You went 9,000 miles to a place that wasn't asking for it.

□ 2000

So the military use of our power, in my view, has been greatly exaggerated in its real importance. What we need today is soft power.

I was just in Iraq, and I think that President Obama, one of the things that will be his toughest jobs is to get back control of reconstruction from the military. We fill the military budget with all this money and expect them to go out and build sewer systems and water systems and all these other things.

That's not what the military's job is. That should be the job of USAID and the State Department, and it shouldn't be done by soldiers.

Now, as long as we inflate the military budget and don't put the money over into the areas where it's really needed, we are not going to change the political climate in these countries. Whether you are talking about Iraq or whether you are talking about Afghanistan or a lot of places, you can talk about Pakistan, what we do is we give them a lot of money from the military budget to buy military equipment from the United States.

And, in my view, in the long run, we are not safer. The question is, are we developing a system that makes us secure? And just having tanks everywhere and Humvees and all this kind of stuff does not make us safer.

What should be done with our money is to look at what's happening to these countries who are economically being destroyed by this world economic situation and dealing with helping them reconstruct their country. Now, the irony of being in Iraq this weekend was realizing that we were rebuilding things that we bombed and destroyed. The question comes to your mind, well, what did we get out of that except a lot of destruction and a lot of ways to spend money in this country?

The Inspector General was out there on the trip with us, and here we have military colonels, you have got a colonel that was just sentenced to 9 years in a Federal penitentiary for taking a \$7 million bribe in Iraq. Another colonel and his wife and his sister-in-law were taking bribes and running them through their church, trying to hide them by washing them through the church that they belonged to.

This is what is needed in oversight and a clear plan for what we are trying to do with our money. We have thrown money away endlessly. Talk about waste, fraud and abuse, the military, in my view, is as ripe for an investigation as any part of government. Before we expand the budget, we ought to look at and have investigations, as Harry Truman did, after the Second World War. He made his reputation on looking at

the misexpenditure of money in the Second World War, and that's what ought to be going on now.

We are simply bloating the budget around issues that do not make us more secure and make us, actually, more enemies in the world. For that reason I think your examination, the Progressive Caucus examination of the budget is extremely important.

I think that this is an issue, obviously, people, as you point out, have jobs. People make a living making war machinery. But there have to be other things they can make, maybe things related to green energy, or there's a lot of other places that the workers in this country, with all their creativity, could be put to work rather than simply building more and more arms to sell around the world and for us to use in various situations.

We are talking about leaving Iraq. But one of the soldiers said to me, if we are getting ready to leave Iraq, why are we still building buildings like that one over there, what are we building for?

It is a really good question. I mean, if you listen to the soldiers, they can see that lots of money is being spent wastefully. There is a tower, a control tower for an airport in Iraq. We spent \$14 billion building a control tower for a field where there are two helicopters, two helicopters.

Now, you ask yourself, what was that tower built for and why was it built there? And these kinds of questions aren't being asked, and I think that's why it's important that the budget that the Progressive Caucus is putting out is really raising a whole series of issues, and I think that the members of the caucus, of the larger Democratic Caucus, should think long and hard about how much money is put into the military budget.

At a time when we need things all across this country in terms of health and infrastructure and education, all these issues are going to be sacrificed to the defense entitlement. And Members have to ask themselves are we going to continue to feed the military monster or are we going to take some of it away and deal with the domestic problems of Americans today. So I thank you for the opportunity to talk about it, and I think the American people should be listening and thinking about what makes sense, what makes us safer?

I served in the military, so I am not against war. I am not some kind of a crazy peacenik that thinks you never go to war.

I served during the Vietnam era. I took care of casualties, so I know there is no glory in war, and I know what happens to those casualties when they come back to the United States. We are creating, by this war, a lot of costs in the future that no one is willing really to talk about. They said today in the newspaper that there may be as many as 300,000 brain injuries from this war.

And you think about what that's going to mean as we try to deal with

those veterans over the next 30 or 40 years. These kids are 20, 30 years old. They are going to live to 70, so we are looking at least to 40 years, and that is a cost that's built into this kind of behavior.

I think it really has to be carefully examined, and I think that Barack Obama is correct in bringing as many of those troops home. I think he should bring them all home, but he is talking about bringing 100,000 home and leaving 50,000 over there. I don't know what for. Is that just kind of for them to sit around and if something happens somewhere they will go jump out and do something?

They said they are going to be for training police and training the Army, 50,000 advisers? It doesn't make sense. So thank you for raising this issue. I think it's important that you take an hour tonight and talk about it.

Mr. ELLISON. Well, I just want to say that I think it's critical that we discuss this issue. I believe that a budget is a statement of values. And if we value human life, and if we value peace, then we should have that reflected in our budget. That's why tonight we are talking about taking a look at the defense budget.

I just want to tell you, draw your attention to this chart up here, Mr. Speaker, Cold War-era weapons systems. Things that were mentioned, the anti-ballistic missile system, this is a pretty big-ticket item. If you could look at what we could save by cutting the Bush's fiscal year 2008 request, and then there is a task force that proposed a reduction, these would not result in any reductions in safety and security for the American people, and this chart was generated by the task force on the united security budget.

I just want to talk about it a little bit. Let me frame it this way.

Mr. McDERMOTT. If I could ask a question?

Mr. ELLISON. Yes, sir.

Mr. McDERMOTT. I can't quite read that bottom figure. Is that \$60 billion?

Mr. ELLISON. That's \$60 billion, with a "B."

Ms. WOOLSEY. Over 10 years.

Mr. ELLISON. Yes, and that's quite a pretty pity, quite a bit of money there.

As a matter of fact, let me just say that Congressman FRANK, like yourself, Congresswoman WOOLSEY and many others, Congresswoman LEE, have been working with the Center for American Progress and have adopted one of their proposals for reducing defense spending. That proposal, coupled with ending the war in Iraq, will be at the center of this plan to reduce military spending.

First, a timely withdrawal from Iraq could create \$105 billion of savings in 1 year if the recommendation for the Center for American Progress report, "Building a Military for the 21st Century," is followed. That's where this chart actually comes from.

If we were to take these proposals and reduce the Virginia Class Sub-

marine and this destroyer, if we were to deal in a very sensible way with offensive space weapons. What do we need to be fighting in space for? I have no idea.

To reduce our nuclear arsenal which, you know, under the nuclear non-proliferation treaty, countries that don't have nuclear weapons shouldn't get them, but countries that do have them should be reducing them. This could be a significant savings. Then waste procurement and business operations, a 7 percent reduction.

We could save \$60 billion. How many college educations is that? How many teachers, how many cops? Could we afford a universal single pair health care system?

Ms. WOOLSEY. Yes.

Mr. ELLISON. Could we afford the things that will make our country ready for this new age, this green economy.

Let me ask you, Congresswoman WOOLSEY, what are your views on this subject?

Ms. WOOLSEY. Well, I have some.

Mr. ELLISON. I had a feeling you did.

Ms. WOOLSEY. Probably because I am a peacenik, I just am, have been, I think I was born that way.

But, you know, before we talk about the savings, I think we should, first of all, know that this is the third Progressive Caucus alternative budget in the last three budget cycles that we have introduced, and all of our budgets have been around what our President said in his speech, reforming our defense budget so that we are not paying for Cold War-era weapons systems that we don't use. You said that, I am going to emphasize that.

Now we are working with Congressman BARNEY FRANK. This budget is going to be wrapped around cutting 25 percent of the defense budget so that our colleagues will have an option. They will have an alternative. They will be able to vote their conscience if they want to cut the defense budget. I am not saying they won't vote for the base budget, but they will have a chance to vote for a budget that cuts defense and invests in our national priorities.

But here is why we know we can do this. The United States doesn't just lead the world in defense spending, we almost outspend the rest of the entire world combined.

Mr. ELLISON. Wait a minute, do you mean to tell me that if you take every country in the world from Palau to Brazil, Russia to Israel, from Argentina to Brunei, you add them all up, you mean we still spend more?

Ms. WOOLSEY. That's right, and a full 43 percent of the world defense spending comes from the United States alone. When we add NATO allies into it, it's over 50 percent.

So our annual defense budget dwarfs that of all our biggest rivals, and we spend four times as much as China and eight times as much as Russia. Why?

That's what I ask you, we don't need to do that.

And if you want to put this in perspective, every single person spent, when we add up our Pentagon budget, that's 40 percent of the taxes that every single person pays, 40 percent of their taxes go to the Pentagon. Why, I ask you? It does not make it safer and, in the end, you are less safe.

So what kinds of weapons are we cutting? You have got your chart up there, we are saving \$15 billion a year by reducing the number of nuclear warheads that we have in our arsenal. We are going from 10,000 to a thousand. We don't think we need 10,000 warheads. We need 1,000 to keep us safe, even with the rest of the world. Over time, we should be working to have a non-nuclear world because it's nuclear weapons that can actually do all of humanity in, and shame on us for not knowing enough to stop that.

So we also, in this budget, get rid of the F-22 Raptor. We save \$4 billion because this fighter jet was designed to fight, as I said, the next generation of Soviet planes, which were never even built.

It makes sense to build a plane that fights ghosts? I ask you, no, it doesn't.

There is the Virginia Class Submarine that, like the F-22, was built to fight the Soviets. It's more expensive than the submarines we currently have, and it doesn't have any new capacity or capability.

So there is so much about this that makes no sense.

□ 2015

And the other thing that we have to know is an investment in defense spending on weapons does not nearly enough for our economy. If you want to invest in the economy, invest in jobs and infrastructure and education.

Mr. ELLISON. Early childhood, health care.

Ms. WOOLSEY. Right. Health care. Invest in what gives back to the people of this country.

Mr. ELLISON. Mr. McDERMOTT, a great American whose birthday we celebrate every January 15, actually on April 4, 1967, said these words: "A Nation that continues year after year to spend more money on military defense than on programs of social uplift is approaching spiritual death." Those words were spoken by Martin Luther King.

What do you think about that quote?

Mr. McDERMOTT. Well, I think it's obvious that one of the things that President Obama faces is the fact that this country has used its military might all over the world for the last 7 years and lost its moral authority by issues like Guantanamo and Abu Ghraib and a variety of other things. And it is clear, and it was Hubert Humphrey, from your home State and actually was mayor of your city, who said that a country will be judged by how it deals with those in the twilight of life and those at the dawn of life, the children and the old people.

Mr. ELLISON. In the shadows of life.
Mr. McDERMOTT. Right. You know the quote.

Mr. ELLISON. Yes, I do.

Mr. McDERMOTT. A guy from Minnesota should know it.

Mr. ELLISON. Absolutely.

Mr. McDERMOTT. But the fact is that that is the essence of what the government is about. The Constitution and the Declaration of Independence are basic documents that say it is our responsibility to protect the life and liberty of the American people and allow them to develop themselves to the fullest extent possible. And there is a point at which when we don't educate our children and when we don't take care of their health care, when we're the only industrialized country on the face of the Earth that doesn't have universal access to health care, you have to ask yourself how many guns do we need? How many bombers? I mean I would like to take a few of those off there and use them as financing for extending the health care system to everybody in this country. It wouldn't take very much out of this budget. But it would, in fact, make us a safer country and make us a morally responsible government to deal with the problems of our people.

For us not to do that, for us not to do in energy what needs to be done, in the long run it doesn't make any difference how many nuclear weapons we have. If global warming causes the oceans to rise and all these other things begin to happen, nuclear weapons aren't any good to shoot at polar bears or at whatever. I don't know. We'll have this stockpile of weapons, and some day people will come along a thousand years from now and say, I wonder what they were planning to do with all those weapons? They built them and they sat here and rotted. And that's really what's happening.

I really think that making a sensible and reasonable defense system is important. But we have gone way over the top, as has been suggested by some of these weapons systems that people were imagining something. I mean this whole business of Star Wars, it started with Reagan. I mean he said, well, you know, suppose they get up there in the sky and they start shooting rockets down on us. We've got to have this missile defense. And we are spending money even today on that stuff, and it makes no sense whatsoever.

If you look around the world and ask yourself are we really threatened by the Iranians? Are we really threatened by the Pakistanis? Are we really threatened by the Chinese? The Chinese have got so many problems of their own. But we continue to build weapons as though they were sitting over there just about to launch off into attacking us, and it could be nothing further from the truth. Chinese families want food and housing and an education for their kids and a health care system and a government that makes peace and makes a decent life for the

people. They're not looking to attack us. But yet we continue to build weapons systems.

In fact, I think in some cases the military industrial complex was sad when the Berlin Wall fell because they had nothing to justify this stuff. And they've been scrambling around to justify it ever since, trying to find somebody to be afraid of. When, in fact, what we ought to be doing is building a peaceful world and dealing with our own problems at home and the problems of AIDS and hunger and disease around the rest of the world. If we would spend our money on those things, we would have much more peace than we will have building these weapons that are on the chart next to you. There's no security in that kind of continued—

Ms. WOOLSEY. Will the gentleman yield?

Mr. ELLISON. I was going to ask you to react to the quote, if you would, ma'am. Would you react to the Martin Luther King quote, or should I read it again?

Ms. WOOLSEY. Read it again. That would be beautiful.

Mr. ELLISON. "A Nation that continues year after year to spend more money on military defense than on programs of social uplift is approaching spiritual death."

How do you react to that? And then add on what other thoughts you may have.

Ms. WOOLSEY. Well, I believe it with all my heart. That's why I have introduced every year for the last 5 years SMART Security, which has war as the very last option when countries aren't getting along, if we even need that option, and it cuts military spending and invests in soft power and in diplomacy and international relations.

I want to read something out of an article that Barney Frank has in *The Nation*.

Mr. ELLISON. Please do.

Ms. WOOLSEY. The March 2 edition of *The Nation*. And I would like to enter this article into the RECORD. It's a great article, and it supports his and our 25 percent cut in defense spending in our budget. And he says, in the middle of this article, "Spending on military hardware does produce some jobs, but it is one of the most inefficient ways to deploy public funds to stimulate the economy."

Then he went on to talk about when he was talking with Alan Greenspan. He said, "When I asked" Alan Greenspan "what he thought about military spending as stimulus, to his credit, he said that from an economic standpoint military spending was like insurance: If necessary to meet its primary need, it had to be done, but it was not good for the economy, and to the extent that it could be reduced, the economy would benefit."

There is no question. President Eisenhower, before he left office, said beware of the military industrial complex, Americans, because it's got us

going in the wrong direction. And we have a chance now to turn it around. We have a new President who does believe in diplomacy. We have a majority in the House and the Senate and we have our President in the White House, and now it is time for us to stand up and put together plans that will meet Martin Luther King's promise to us, and that's that we would have a world of peace as the world we want to live in.

[From the *Nation*, Mar. 2, 2009]

CUT THE MILITARY BUDGET—II

(By Barney Frank)

I am a great believer in freedom of expression and am proud of those times when I have been one of a few members of Congress to oppose censorship. I still hold close to an absolutist position, but I have been tempted recently to make an exception, not by banning speech but by requiring it. I would be very happy if there was some way to make it a misdemeanor for people to talk about reducing the budget deficit without including a recommendation that we substantially cut military spending.

Sadly, self-described centrist and even liberal organizations often talk about the need to curtail deficits by cutting Social Security, Medicare, Medicaid and other programs that have a benign social purpose, but they fail to talk about one area where substantial budget reductions would have the doubly beneficial effect of cutting the deficit and diminishing expenditures that often do more harm than good. Obviously people should be concerned about the \$700 billion Congress voted for this past fall to deal with the credit crisis. But even if none of that money were to be paid back—and most of it will be—it would involve a smaller drain on taxpayer dollars than the Iraq War will have cost us by the time it is concluded, and it is roughly equivalent to the \$651 billion we will spend on all defense in this fiscal year.

When I am challenged by people—not all of them conservative—who tell me that they agree, for example, that we should enact comprehensive universal healthcare but wonder how to pay for it, my answer is that I do not know immediately where to get the funding but I know whom I should ask. I was in Congress on September 10, 2001, and I know there was no money in the budget at that time for a war in Iraq. So my answer is that I will go to the people who found the money for that war and ask them if they could find some for healthcare.

It is particularly inexplicable that so many self-styled moderates ignore the extraordinary increase in military spending. After all, George W. Bush himself has acknowledged its importance. As the December 20 *Wall Street Journal* notes, "The president remains adamant his budget troubles were the result of a ramp-up in defense spending." Bush then ends this rare burst of intellectual honesty by blaming all this "ramp-up" on the need to fight the war in Iraq.

Current plans call for us not only to spend hundreds of billions more in Iraq but to continue to spend even more over the next few years producing new weapons that might have been useful against the Soviet Union. Many of these weapons are technological marvels, but they have a central flaw: no conceivable enemy. It ought to be a requirement in spending all this money for a weapon that there be some need for it. In some cases we are developing weapons—in part because of nothing more than momentum—that lack not only a current military need but even a plausible use in any foreseeable future.

It is possible to debate how strong America should be militarily in relation to the rest of the world. But that is not a debate that needs to be entered into to reduce the military budget by a large amount. If, beginning one year from now, we were to cut military spending by 25 percent from its projected levels, we would still be immeasurably stronger than any combination of nations with whom we might be engaged.

Implicitly, some advocates of continued largesse for the Pentagon concede that the case cannot be made fully in terms of our need to be safe from physical attack. Ironically—even hypocritically, since many of those who make the case are in other contexts anti-government spending conservatives—they argue for a kind of weaponized Keynesianism that says military spending is important because it provides jobs and boosts the economy. Spending on military hardware does produce some jobs, but it is one of the most inefficient ways to deploy public funds to stimulate the economy. When I asked him years ago what he thought about military spending as stimulus, Alan Greenspan, to his credit, noted that from an economic standpoint military spending was like insurance: if necessary to meet its primary need, it had to be done, but it was not good for the economy; and to the extent that it could be reduced, the economy would benefit.

The math is compelling: if we do not make reductions approximating 25 percent of the military budget starting fairly soon, it will be impossible to continue to fund an adequate level of domestic activity even with a repeal of Bush's tax cuts for the very wealthy.

I am working with a variety of thoughtful analysts to show how we can make very substantial cuts in the military budget without in any way diminishing the security we need. I do not think it will be hard to make it clear to Americans that their well being is far more endangered by a proposal for substantial reductions in Medicare, Social Security or other important domestic areas than it would be by canceling weapons systems that have no justification from any threat we are likely to face.

So those organizations, editorial boards and individuals who talk about the need for fiscal responsibility should be challenged to begin with the area where our spending has been the most irresponsible and has produced the least good for the dollars expended—our military budget. Both parties have for too long indulged the implicit notion that military spending is somehow irrelevant to reducing the deficit and have resisted applying to military spending the standards of efficiency that are applied to other programs. If we do not reduce the military budget, either we accustom ourselves to unending and increasing budget deficits, or we do severe harm to our ability to improve the quality of our lives through sensible public policy.

Mr. ELLISON. Congressman, you've been reflecting quite a bit on issues of military reductions and focusing on our country's security, not sacrificing that, but on how we might save more money. But what do you think about this idea of military expenditures not being a good economic investment, not stimulating a lot of jobs? Any thoughts occur to you about that?

Mr. McDERMOTT. If you spend a dollar in a school educating a kid who then does better in the world and gets a job and makes money and pays taxes and contributes to the society, you've created something. When you build a

nuclear weapon and put it on a shelf somewhere, you have developed nothing. It just sits there. Or you build a tank or you build a Humvee.

Ms. WOOLSEY. And it kills somebody.

Mr. McDERMOTT. You have to ask yourself why do we keep building more and more and more? And, in fact, there's a curious thing about Iraq. Having been over there, it reminds me, we have 150,000 soldiers over there and we also have 150,000 contractors. Now, if a soldier is paid \$50,000 and a contractor is paid \$100,000, why isn't it more sensible to hire another soldier than to hire a contractor for twice the money? And that's going on all over Iraq, in fact, all over the world. We are contracting things out that ought to be done by our own soldiers and would be done in a much more reasonable and cost-efficient way. So if you look at this budget, there are a million places where you can find places to save money if you care about that.

Mr. ELLISON. Talking about soldiers as opposed to contractors, I will never forget the hearing in which General Petraeus was asked how much he makes, and I think he makes about \$170,000 a year for managing a whole lot of people and a whole lot of equipment. And then somebody asked Erik Prince, who is the head of Blackwater, how much he makes, and he makes quite a bit more than that, definitely millions. And I mean he runs an operation quite a bit smaller than the United States military and a comparable force. So even when it comes to the leadership in the military arena, we're contracting military leadership and we are paying them a whole lot more than we are those soldiers who are at the head of our military and who are really doing the real hard work and can't just walk away, and it's not just about a dollar and cents for them. When you made your observation about contractor versus soldier pay, that was another image that stuck in my mind.

I yield back to you.

Mr. McDERMOTT. I think that is the whole thing that we have not seriously looked at for the last 7 years. We have been spending, spending, spending. We've had budget after budget, supplemental budgets. They come in and say we need another \$30 billion. We need another \$70 billion. We're going to use \$50 billion for reconstruction. We're going to use this. But no oversight. They've been putting that money out there, but nobody has been actually looking. And that's why you get control towers, as I said, built out in the desert for \$14 million and nobody says to themselves, gee, what's that about? Who did that? Well, it was a contractor. You know, I don't know if it was KBR or which one of the contractors, but we let a contract to somebody to build a very sophisticated control tower. And we talk about the "bridge to nowhere" in our infrastructure. We complain if somebody puts a piece in the budget for a bridge somewhere. We

put military things out like that and we don't even ask a question.

Mr. ELLISON. You've hit on something. Why has it been somewhat taboo to discuss the military budget? What is in operation that would make someone shy about asking tough questions about military expenditure?

Does the gentlewoman from California have any views on this?

Ms. WOOLSEY. Well, first of all, there's a big fear of looking like you're not patriotic around here. The second thing is it's very embarrassing when you ask the question and nobody has the answer and you're talking about billions of dollars. And that's why BARBARA LEE and I have been working with the GAO to have the DOD implement the over 2,000 recommendations that the GAO has made to the DOD to cut waste, fraud, and abuse. So they now know they have to do it, and we are counting on those cuts of those 2,000 wasteful expenditures in our Progressive Caucus budget.

Mr. ELLISON. Congresswoman, we have just been joined by Congressman SAM FARR, who is a member of the Progressive Caucus.

Congressman FARR, tonight we have been talking about the Progressive budget and how examining the defense budget in a tough way will allow us to save a whole lot of money which we can use for human need. And I just want to know do you have any comments on that, any reflections?

□ 2030

Mr. FARR. Well, without a doubt the way we have been spending and putting the war efforts into just an emergency supplemental doesn't make any sense, because there has never been an accounting for it. The new administration has said they are bringing us in their budget the cost of Iraq and Afghanistan, so there is going to be some fiscal responsibility, and everyone knows there will be a day when we will not be spending that much money, which is a lot of money, and therefore those costs can be cut.

I think that there is no way that we cannot. As we try to balance this budget or get it into sense in the outyears, the largest increase over the years has been the Defense Department, and therefore they are going to be the one that is the most dramatically reduced. I think all of us feel that the plan is to have a smaller military, but without a doubt it has to be a smarter military, and the investment in smartness is not the kinds of things you see on that board.

I am very excited about upgrading the skills of American military, particularly because my background in the Peace Corps is that you find in Afghanistan and Iraq what is missing now is what we call soft power, which is that we have learned to kick down the doors anywhere in the world at any time, but we have not learned to win the hearts and minds of people. If indeed we are going to have peace and stability, we have got to do a lot more work on the soft power side, which is

less expensive and probably more effective. So, obviously there is room for reductions. As we argue the cost of health care, we have to also argue the cost of defense.

Mr. ELLISON. Congressman FARR, one of the things that BARNEY FRANK says is that on September 10th, 2001, we had no idea how we were going to deal with the expenditures associated with an Iraq war. Somehow over the course of time we figured out how to come up with \$10 billion a month to fight the Iraq war. Yet people tell you and they tell me we can't afford universal health care. That is just too expensive. The prior President even told us that and vetoed the State Children's Health Insurance Program because it cost too much money.

But what does that mean to you when we think about reexamining our defense budget for waste, fraud and abuse, and dealing with some of these Cold War era weapons systems? In your view, what do we really need a ballistic missile defense for in this age and day? Do you have any thoughts on that topic?

Mr. FARR. You have the expert on health care here with Dr. McDERMOTT and the American leader on single payer plans, and certainly he can give a lot of that.

But I think what I see missing in the dialogue here is that a lot of people, conservatives who would not agree with us would argue that government ought to run itself more like a business. You don't hear businesses talking about costs and expenditures. When they spend money, they talk about investments.

Indeed, if America is going to grow and strengthen itself, then it has got to talk about these things as investments. And if you really analyze the investment in education, the investment in health care, not costs in, but investments in, obviously you want to run them well, and if you really look at the military and talk about an investment in peace operations and stability, which is what it is all about, I think you come up with different numbers than just costs. You come up with different priorities.

Mr. ELLISON. Congresswoman WOOLSEY, do you want to reflect on this?

Ms. WOOLSEY. I just want to say you also should put the cost of not doing those things, the cost of not having a healthy community, not having an educated constituency, not having people ready for jobs for the 21st century. Those costs, we never look at that when we are doing our budgeting.

I have a question, if I may, to just throw out to the three of you. Sam, before you came down here we were talking about 150,000 contractors in Iraq and why our military, which is one-third of the cost, each one of our troops, why we just didn't have them doing it all.

My question is, wouldn't we have to have a draft in order to have that

many troops available? I don't think we have volunteers that would be able to double the size of the troops in the units over in Iraq and Afghanistan, because I don't think people are that excited about going over there for \$50,000 a year, for one thing.

Mr. FARR. Well, the difficulty you have is, again back to that investment, if indeed the contracting purpose is to build infrastructure, it is nuts to think that a company from the United States has a vested interest in the outcome and survivability of that project. We learned that with the "ugly American," where we would go and build things in other countries and leave and they would fall apart, because in the process we never got the host country nationals involved in building it, in owning it, in wanting to run it and keep it up and learn how to, as we saw with generators in Iraq that we installed and nobody put oil in them and they all burned out, because they said it doesn't matter, they will wait until they come back and replace them.

So I think this dialogue is really important, because the first line of our national security is investment in a well-informed electorate or well-informed public. So the first line of our national security is investment in education. That is our biggest defense system, security system, and we have to make that investment equal to or greater than obviously it has been historically if we want to build a stronger America.

Mr. McDERMOTT. One of the interesting things, I am standing here listening to this, and, I don't know, as people are sitting at home listening to this and wondering about all this, this is a sacred cow that we are never supposed to look at. That is why we don't discuss the defense budget, because people are afraid if you talk about it and talk about reducing it at all, you are not a patriot. That is the accusation that is made immediately.

But what happens in the Defense Department is they say, well, you know, we would like to build a submarine, so this year we will put \$1 million into the budget and sign a contract to build a submarine in the next 2 years. So the next budget comes along and here is a contract already signed, and the next \$10 billion goes into the budget, and the next year it is ten more. And that kind of sort of sneaking it in under the door without people actually seeing what is being committed to, that is how this missile defense stuff and all that is done, incrementally. Nobody ever sees the long-term cost of what we are doing and what it is going to mean in terms of what isn't available for the things that this society needs.

The minute anybody raises it and says, why are we doing this, somebody says, well, you don't care about the safety of this country. That couldn't be further from the truth for any one of the four of us. But in fact people will say it and they will think that somehow if you cut one dime out of the de-

fense budget, the whole country suddenly is going to be cowering in the corner and the world is going to be threatening us. Nothing could be further from the truth.

Mr. ELLISON. Well, Congressman, the fact is that in all this exorbitant, precipitous expansion of the defense budget, you really haven't seen the average soldier getting a whole lot more money. We have had to increase the budget for the VA. When you talk about the human element in the military, this almost seems like the forgotten element.

When you think about a weapon like this ballistic missile defense over in Europe, agitating the Russians, the Iranians aren't threatening to bomb America. I haven't heard that one yet. The fact is that this thing in the Bush budget was \$10 billion. The fact is you have got this \$21 billion for nuclear weapons. We live in a time of asymmetrical warfare. What do we need \$21 billion for? Why do we need that?

The fact is that is one of the things that is so appalling. One of the things we are doing tonight is saying it is not unpatriotic to examine the military budget. It is not a sign that you are a coward and you don't want to face the enemy if you want to cut the military budget. It doesn't mean that you don't care about the troops. Of course, we desperately care about the troops. Part of what we are arguing for is for the sake of the troops.

So the thing is that it is so important to be having this dialogue tonight, so critical that we do not shrink from this critical dialogue about cutting this budget. I am so happy that President Obama came right in this Chamber a little more than a week ago to say "we will eliminate the no-bid contract that have wasted billions in Iraq and reform our defense budget so that we are not paying for Cold War era weapons systems we don't use. Let it begin now."

Mr. FARR. You know what is interesting about your comment? I sit on the Military Construction Appropriations Committee. That is the military quality of life. We interview the soldiers, have them come in and ask them to prioritize what they want. Never in my 15 years have I ever heard them ask for a weapons system. What they ask for, their number one issue is quality of housing. The number two issue is childcare. Childcare. That is what the soldiers want. It is quality of life, because they are raising their families in the military. They are getting deployed and they are coming back.

The weapons system, those are all Fortune 500 companies that make those. That is Wall Street. So you have a different lobbying effort between the personnel, the human factor in the military, and the weapons systems or the procurement side of the military, and that is what is incredibly remarkable. And I am really pleased that you are pointing out if we are going to make proper adjustment, we have got

to really scrutinize these expenditures to really make them essential to a new global world order.

We are not fighting conventional wars. We are fighting asymmetrical wars, and I don't know what a ballistic missile system is going to do in an asymmetrical war in fighting people that are using the Internet and public transportation to move their weapons and ideas around.

Thank you for your time tonight. I really appreciate it.

Mr. ELLISON. Congressman FARR, let me thank you for being here. Let me also thank Congressman WOOLSEY, Congressman McDERMOTT, and also Congressman POLIS was with us for a moment.

This is the progressive message, the progressive message tonight that we came with, to talk about just the defense aspect of the progressive message. We believe that if we follow the program that has been offered by the Center For American Progress that Congressman FRANK has been working on, we can save a lot of money for the American people without any reduction in safety for the American people.

It is not unpatriotic to question the military budget. It is not unpatriotic to talk about waste, fraud and abuse in the military. It is to enhance the quality of life for the soldier and security for the American people.

My name is KEITH ELLISON. I have been happy to be here tonight for the Progressive message. It has been great, another fantastic hour. We will be back, week in, week out, projecting a progressive message to the American people.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. POLIS). Without objection, the 5-minute Special Order of the gentlewoman from North Carolina (Ms. FOXX) is vacated.

There was no objection.

FIXING THE AMERICAN ECONOMY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 60 minutes as the designee of the minority leader.

Ms. FOXX. Mr. Speaker, I am pleased to be here tonight to lead this special order on behalf of the Republican leader and am pleased to be joined by some of my colleagues now on the floor and others who will be coming.

I want to say that we are going to talk about the economy tonight. We are going to talk about the cramdown bill that was passed here today. But I do want to say in response to the Progressive group, I think they call themselves, that was just speaking, is that any time I hear people talking about the need to do less in defense for this Nation, I want to say that I wake up

every single morning and the first thing I do is say thank you, Lord, for letting me live in this country, and the last thing I do before I go to sleep at night is say thank you, Lord, for letting me live in this country, because I believe we live in the greatest country ever, and I know in large measure that is because of the great national defense that is provided to us by the men and women who risk their lives every day to keep us a free people.

Do I think that we should write a blank check for defense? No, I don't believe that. But I do know from reading the Constitution, and all of us are sworn to uphold the Constitution, that national defense is the number one role of the Federal Government.

□ 2045

It has to be mentioned over and over again because, unfortunately, too many people talk about all these things we could be doing for the people of this country if we just didn't spend all this money on national defense.

Well, Mr. Speaker, I have to say that States can't provide national defense, the counties can't provide national defense, the municipalities can't provide national defense. And we individuals can't provide for our national defense, except as part of a larger body. So it is our Number 1 responsibility as a Federal Government. And if we have money left over, then, fine. We may be able to do other things. But if we have money left over, the first thing we should do is give it back to the people from whom we take it forcibly and allow them to vote how to decide to spend it.

I want to say that I don't say to people who criticize the defense budget that they're not patriots. But I think they should be very explicit about where they think money is being wasted. And again, if there's money left over, let's just give it back to the American citizens. Let's not spend it in Federal bureaucracies.

So, as I said, we came here tonight to talk about the economy. That's the thing that's probably on most people's minds. Thank goodness we have a military that is allowing us to be safe, allowing us to be here on this floor at night, allowing us, every citizen in this country, to go about his or her job on a regular basis, all their activities, whatever they're doing and feel safe.

But what's on the minds, again, of most of the people is the state of our economy and the inaction and incompetence of the Democratically-controlled Congress and this administration in terms of how they have responded to the problems in our economy.

So I want to recognize some of my colleagues who are here tonight and allow them to share some of their concerns. I'm going to be here for the entire hour. I'm going to let them speak, and then I will come back and, if there are things that still need to be said, then I will take up some time and

share some information with those of you who are listening to us tonight.

The first person that I would like to recognize is our distinguished colleague from Georgia, Dr. BROWN.

Mr. BROWN of Georgia. Mr. Speaker, I rise today because Americans have bought a product that is not living up to its guarantee. Promises made are not being kept, and the American taxpayer is paying the price for the defective product that they bought.

This body has let the American people down. And I'm not just pointing my finger at the other side of the aisle. Both sides have hoodwinked the American taxpayer for not being fiscally responsible.

If I sound alarmist, it's because I'm concerned that it's only getting worse. I'm frightened about the path that America's heading down with this administration and this Congress in the driver's seat. HARRY REID and NANCY PELOSI are driving this steamroller of socialism and, unfortunately, President Obama isn't putting up any roadblocks, and not even a slow down sign. And it's hardworking Americans who are getting run over.

Right now, in addition to a \$700 billion bailout of Wall Street, a \$1 trillion non stimulus bill, and a \$275 billion housing fix, the middle class is also carrying on their backs the auto industry, Bear Stearns, AIG, Citi, Freddie, Fannie and countless others.

For too long, lawmakers in Washington have ignored the pleas from hardworking families and small business owners in their districts. For too long, lawmakers in Washington have depended upon hardworking middle class to pay for their expensive programs, of which they rarely see a dime.

But there is an alternative. The middle class can demand that lawmakers stop using them to pay for policies that benefit only two ends of the spectrum. That's why I rise today, Mr. Speaker, to offer a vision for those hardworking middle class families who pay for the Wall Street fat cat speculators, who pay for welfare recipients, and who pay for all this.

My vision includes providing tax relief to small businesses and families. It includes offering incentive-based relief for job creators. We must skip the pork wish list and, instead, directly stimulate the middle class and small businesses, since they are America's economic engines. In doing so, jobs are created, faith is restored in the markets, and America's entrepreneurial spirit is once again unleashed.

Contrary to what is being said, those of us who oppose the recent actions of this "Credit Card Congress" are not just saying "no." Unfortunately, our alternatives to help our economy are not being considered.

I want to give a 5 percent, across the board, income tax cut. I want to increase the child tax credit to \$5,000. I want to lower capital gains, dividend and corporation taxes to bring investors back to America that have been

taxed out of the country. I want to create jobs by producing American energy with American workers in the form of solar, clean coal and nuclear energy. I want to increase student loan deductions so that you can send yourself or your child to school at any age, with minimal financial burden.

I want a health care system that is affordable for all people, one that is patient-focused, not government-focused, one where patients own their own insurance policies, one where the doctor/patient relationship is where health care decisions are made, not by some government bureaucrat.

The economic recovery plan that I support includes no bailouts and no pork-laden projects. It creates twice the jobs at half the cost through permanent tax relief for families and for small business here in America. This plan creates 73,000 more jobs in my home State of Georgia alone.

I also offered an amendment to the stimulus to give every American who files a tax return approximately \$9,000, their share of the stimulus bill. Clearly, not spending a trillion dollars would have been a much better option, but since Congress was bound and determined to spend the money, wouldn't it have been better to place that money back in the pockets of taxpayers?

If a two-parent family, middle income, middle class family had received \$18,000 in the mail, they could have bought a new car, gone on vacation, or even make a down payment on a home.

David McCullough correctly states that, and I quote him, "History is a guide to navigation in perilous times."

Let us not forget that in these tough times, that more government has never been a solution. Historically, socialism never has worked, never will work, and it will not work today. In fact, government actions were actually the stimulus that contributed to Fannie Mae and Freddie Mac's distension, easy money made available following relaxed interest rates, and ultimately, the push on American lenders to make loans, regardless of the borrowers' ability to pay.

As Margaret Thatcher said, "The problem with socialism is that you eventually run out of other people's money."

Mr. Speaker, I rise in that spirit to remind you that America was founded by pioneers with dreams who worked, and in some cases, died to protect freedom and make a more prosperous life for their children. We must not forget this.

God promises us in Psalm 30:5 that "Weeping may endure for a night, but joy cometh in the morning."

Now, I call upon all Americans, young and old, liberal and conservative, to demand a more efficient government, beat back the reach of big government, wipe away the tears of yesterday and demand a joyful morning in America, a future of freedom. America is depending upon it.

Ms. FOXX. I want to thank my colleague from Georgia. What he has done

is put to rest the comments made by so many of our colleagues on the other side of the aisle who say that Republicans are the party of "no" and that we don't have a plan. Republicans, throughout this entire congressional session, beginning in January, have offered great alternatives to the abysmal proposals that have been given by the Democrats to deal with this economic situation.

We understand that the American people are hurting. We want to help the American people in ways that we know are proven ways to make things better.

What the Democrats have proposed are the things that will make the situation worse.

The American people know we cannot tax and spend and bail our way back to a growing economy. They know that raising taxes during a recession, on almost every American, is a prescription for economic decline. They know that raising taxes on small businesses, where a majority of Americans go to work every day, will not put American families back to work. They know that cutting deductions for charitable giving will harm higher education, scientific research and religious organizations struggling to stay afloat.

The American people know now more than ever before that Democrats are on the side of more government and more taxes. And we hope, through explaining our plans, that the American people are going to understand in a very tangible way that House Republicans are on their side, and we will continue to be on their side.

Mr. BROUN of Georgia. Would the gentlelady yield for a moment, please?

Ms. FOXX. I will.

Mr. BROUN of Georgia. I want to congratulate you, Ms. Foxx, for bringing up something that is extremely important. When you opened this evening's special orders, you talked about national defense being the major function of the Federal Government under the Constitution. I carry a copy in my pocket all the time, and I believe in this document as it was intended by James Madison and company.

If you look at this document, if the American people will look at this document, read what our founding fathers wrote, not only in the Constitution of the United States, but read what they wrote in the Federalist Papers, which were a group of essays to explain exactly what this document means. They will see that they've been handed a lie; that this document was never meant to be expanded beyond the 18 things that article I, Section 8 says that we, as a Congress, we, as a government, can do. And the 10th amendment puts a exclamation point upon that, because the 10th amendment says if a power is not specifically given to the Federal Government by the Constitution, in other words, those 18 things in Article I, Section 8, if it's not prohibited from the States, things such as having their own army, things like having interstate tariffs and those types of things, that

those rights are reserved for the States and the people. And national defense is exactly the major function under the original intent of this Constitution.

And when we see people stand on this floor and cut down our defense—I'm a Marine, and I believe in a strong national defense, just like I believe in this document according to its original intent.

□ 2100

I congratulate you for bringing that issue up as you started this discussion tonight because the American people need to understand that this document was never meant to be expanded the way government has—the way the court has expanded it, the way the administration has expanded it and the way that Congress has expanded it—particularly beginning with FDR, with the New Deal.

That brings us to today. The New Deal did not work. I was taught in school, in high school, that it did work, but that's just a bald-faced falsehood; it's not factual. The New Deal didn't work. The only thing that got us out of that recession, that depression in the '30s and into the early '40s, was gearing up the manufacturing base to supply World War II. So it was small business and manufacturing that got us out of that depression, and we're heading in that direction today in this country, with these bills, one after another, after another, after another.

When the President came and talked to our Republican conference, I'm sure you'll remember he said that the stimulus bill was just the first of many big spending bills, of many socialistic bills, of many big government spending bills that he was going to bring to the floor and promote very quickly. The thing is socialism never worked, never will work, and it's not going to work today, and the American people need to understand what the Constitution says and what we're headed toward. We're headed toward the financial collapse of America if we don't stop spending our grandchildren's future.

So I commend you, Congresswoman Foxx, for bringing up the Constitution, because I think the American people need to understand clearly that this is not a living document. It's a document of which we need to go back to the original intent.

God asked a question in psalm 11. He asked: If the foundation is being destroyed, what are the righteous to do?

What we need to do in America is to start rebuilding the foundations that this America was founded upon, those foundational principles that made America so safe, so secure, so rich, so powerful, and the only great power in the world today. If we leave those principles, then it's going to destroy America, and we're headed toward a depression in America if we don't stop spending our grandchildren's future.

So I thank the gentlelady for yielding me a few more moments, because I am very fearful of the direction we're

heading in this Nation today. We're heading in a direction that's going to be disastrous. We're going to lose what our founding fathers fought and died and sacrificed so much for, and it's up to the American people to demand better. It's up to the American people to demand from their elected Representatives a constitutional government, a limited government, a government that isn't intrusive in their lives.

So I thank the gentlelady for yielding me a few more minutes. I am just so passionate about this. We have got to stop this steamrolling socialism that's being shoved down the throats of the American public. It's going to kill the American economy if we don't do it.

So thank you.

Ms. FOXX. Well, I want to thank my colleague from Georgia. Many of us are passionate about this issue, and that's why I never let an opportunity go by to bring it up myself. We're going to have to get our Constitution caucus going and do a Special Order one night soon.

It looks like we're going to have a lot of folks who represent the medical community here tonight. The second person whom I want to recognize tonight is a new Member of Congress this year. He is a physician and a former mayor of a town in eastern Tennessee. He is my neighbor in Tennessee. Our districts join each other. I'm in North Carolina. He's in Tennessee. He's going to bring us some wisdom from the heartland of this country from his experiences in being out, talking to folks, and some of his reflections on what has been happening.

I would like to recognize Congressman ROE from the great State of Tennessee.

Mr. ROE of Tennessee. Thank you very much.

What I'm going to do tonight is just introduce myself to the people here and just share some real life experiences.

I have lived in Johnson City, Tennessee for 31 years, have practiced medicine there, have built a thriving medical practice from 4 physicians to over 70 with 350 employees, and so we've delivered and have worked in a small business.

A few years ago, I decided to run for public office after just sharing some thoughts with friends, and I was fortunate enough to be elected to our commission and as the mayor of our city. I brought a very simple philosophy to government, very simple. It's not calculus; it's not arithmetic. It's simple math. That is: Spend less than you take in.

When we went on the commission several years ago, we had deficit spending, and we had a bloated city government. With the help of some great leadership and our other commissioners, we cut almost 100 people from our workforce. In addition to that, we had only about \$2 million in the bank, and that was essentially broke. During the last 6 years, we've passed six consecutive budgets without a tax increase, and

have gone from a fund balance of \$2 million to \$24 million.

So our city has a great savings account set so that, when this rough economy came, we were prepared for it like any individual would be with a savings account. We did this without raising taxes and without cutting services, and I think the people there rewarded us for this prudent behavior. As a matter of fact, Wall Street rewarded us by increasing our bond rating to a AA rating.

I then fast forward. I come to Washington, D.C. in January, and I'm sworn in. In the fall, we all recall the \$700 billion bailout, or the so-called "TARP"—Toxic Asset Relief Program—that had already been passed by the previous Congress, and that was passed because of illiquidity in the banking market. People weren't able to get loans, and that's still an issue.

One of the first things we confronted here was an \$800-plus billion spending plan, the so-called "stimulus." Now, one of the reasons we were successful where we were was we had a plan to correct our problems. We had a very well-thought-out plan, and we executed that plan—reducing debt and improving the financial stability of our local government.

Here in the Federal Government, we had a massive, massive spending plan. As we went through it, it was 450 pages or so long. The plan was discussed here on the House floor and was sent to the Senate. It came back as a 758-page bill. After conference, it was 1,071 pages, which we were presented here on the floor at about 9 o'clock one Friday morning a couple of weeks ago. We voted on it 5 hours later, of which no one could have read that bill in its entirety and can tell me what's in it. So it was about \$1 billion a page. What I saw was massive Federal spending.

The options we have as a local government are: Number one, we can raise your property taxes. Tennessee is not an income tax State, so we have sales taxes and property taxes—that's a way we can raise revenue—or we can expand growth where you have more property taxes coming in. That's what we chose to do. We can't ask people to go down and spend any more money at the local department stores or at Wal-Mart or wherever. People are protecting their money now, so we can't do that. The Federal Government has a third option, and that is to borrow money, and they have borrowed massive amounts of money from China. If the situation comes where we can't borrow any more money on the credit market, then we have to print money. The danger of that is, when you expand the money supply, you certainly will create an environment where inflation may occur.

I can tell you one of the things that I did. I took this responsibility so dearly to myself because the people who are hurt the most with higher taxes are the people at the lower income and our senior citizens on a fixed income. I can think of so many people in my commu-

nity for whom \$20 or \$30 or \$40 a month is just devastating. The gas price increases we had last year were just devastating—\$4 or \$5 a gallon. They just could not pay it. If you had people working, as we have had many people, for \$10, \$12, \$13 an hour and they had to drive more than 10 miles to work, it took a day-and-a-half's work per week to pay their gas to get to work.

So the people who are hurt the most are not the people here in this Congress, who make a good salary, or the people out there making six figures. It's the people on a fixed income. I think, as for this particular bill that we've done, this spending, if we create an inflationary spiral, we've hurt the very people we've said here that we're going to help. We've hurt them the most.

I had the opportunity today to speak to a good many bankers because of some legislation that came on the floor, and it was about this, the home bailout. I called and spoke to numerous ones in my district. Let me just reminisce a little bit about the banking problems we've had.

I think there are approximately nine banks in America that control about 70 percent of all of the financial assets in America and over 8,000 community banks that control the other 30 percent. Less than 5 percent of our community banks have had to ask for TARP money. Every single one of the major banks has been too big to fail. Well, who is going to go save these small community banks? I can tell you no one is, but most of them are very financially secure. I spoke to several today where less than 2 percent of their loans are a month behind or more, so they are doing very well.

Then they were presented with a situation today in this particular bill where a bankruptcy court can say to you, You have to mark down the difference. If the home price decreases in value from, let's say, \$230,000 to \$200,000, you have to eat that. This local bank has to eat that.

Ms. FOXX. Will the gentleman yield?

Mr. ROE of Tennessee. The gentleman will yield.

Ms. FOXX. When we were debating this bill last week, one of our colleagues on the other side of the aisle said that this is not going to cost the taxpayers a single penny. I responded: Well, the last time I looked, the banks are owned by shareholders, and those shareholders pay taxes if they have any kind of profit. It seems to me that shareholders and taxpayers are the same people.

Those banks that you're talking about in your community, those community banks, are they owned by shareholders who pay taxes?

Mr. ROE of Tennessee. Absolutely. Not only that, but if you do what they have recommended or what we voted on today, another provision in that bill is that you could get a zero in bankruptcy court. The judge could say, You get a zero interest rate for 30 years.

I asked one of my banking friends, How do you make money if you lend at zero percent for 30 years?

The bottom line is that those costs are passed on to the other people who borrow money from that bank. So the taxpayers absolutely get the bill. That is a great point you just made.

Ms. FOXX. Now, you've been a physician, but you've also been a businessman, and I think that's important. With 350 employees, that's a pretty good-sized small business. You understand that what was done today with this cramdown bill is going to affect taxpayers, and you understand how it's going to affect the people who play by the rules. I'll bet you had some of that in your practice, too, didn't you?

Mr. ROE of Tennessee. Absolutely.

What we've just said to many of the banks in our area and to the folks who've borrowed money with the intent of paying it back—which is the example I gave today—is, look, if somebody had bought a Tahoe last January and they had paid \$40,000 for this new Tahoe, well, when gas prices went to \$5 a gallon, you probably couldn't get \$20,000 for that Tahoe. You were probably upside down in your loan right then, but what did you do? Did you walk back and give it to the bank? No. You kept paying on that until you paid your Tahoe off. So that's what we've asked people to do.

I think this bill should be vetted extremely well in the Senate. We shouldn't cause people, the 98 percent of the people who are paying their mortgages on time in Tennessee, to say, Hey, I've got to also pay for this other mortgage when I'm doing it the right way.

I think the experience I've had in government is that we've always preached—and I have seen it myself, have lived it and have breathed it—smaller government and low taxes. Businesses move in, and your economy thrives. I have personally witnessed that. I know it works. I come to Washington, D.C. What do I see? The most staggering spending that I've ever seen in my life.

Let me pose a question. Then I'll let you answer this: When we passed the omnibus spending bill, I took that 2,000 pages back to show my constituents what we'd passed here. An 8.5 percent increase. Now you tell me what State government, what local city government is going to pass an 8.5 percent increase this year. The example we should be doing is: We in Federal Government are going to cut the size of this Federal Government. We're going to tighten our belt. It would be a wonderful example to the rest of the Nation.

Ms. FOXX. I've noticed in the news-cast how many people are losing their jobs in private industry. I haven't heard one word about any people on the Federal payroll who are losing their jobs. I agree with you: We have no business expanding the Federal Government at any level. We should be

cutting back just like our constituents are cutting back, and we should balance the budget. We cannot continue to operate that way.

□ 2115

Mr. ROE of Tennessee. The thing that I noticed when I was home and you have, I'm sure, the same—and I have to say you have a wonderful Charlotte airport. During the snowstorm, I got to spend 24 hours there. So it's a beautiful airport. The people from North Carolina were very good to their neighbor from Tennessee.

I think one of the things that we have to do is we have to set an example in the Federal Government to the rest of the Nation. If we did that, if we had a plan that we're going to balance the budget—I mean, this particular budget we're spending is \$1.6, \$1.8 trillion out of balance, and we're going to cut it—well, it's some gimmickry because when you don't have an \$800 billion spending package, you've already cut that much of it. That's onetime dollars. So that's really not a fair cut.

A real cut would be when you actually spend less money than you did the year before, and that's never happened in my view of Congress.

Ms. FOXX. Well, some time soon I am going to share with you an article that I read in Human Events last November about what the Federal Government looked like in the '30s and what our society looked like and what our budgets looked like in the '40s. But it has been done, and that's what we need to do.

I want to ask someone else to join us in our conversation here. We have our colleague from Wyoming (Mrs. LUMMIS) who is with us tonight. And I know that she has some interesting points that she wants to add to this discussion. And I want to bring her into it at this point.

Mrs. LUMMIS. I thank the gentlelady from North Carolina and the gentleman from Tennessee for their dialogue. It brought to mind a constituent of mine.

I am from the State of Wyoming, and an Arapaho woman, who is a friend of mine, had a business last summer on the reservation in Wyoming where she was bringing groceries in, trucking groceries into the reservation for easy access and purchase by members of both the Shoshone and Arapaho tribes on the Wind River Indian Reservation. It provided an opportunity for Native Americans to shop on the reservation rather than having to go into town in Riverton or Lander. It provided Native Americans with jobs in trucking and in the grocery business. And she's a wonderful entrepreneur.

When the price of gas reached \$4 a gallon, it was not clear that she would be able to keep her grocery business open. She was beginning to cut down on the hours that her employees worked, cut down on the amount of product she had on her shelves. And had those prices continued at that

rate, she would have had to have closed her doors making it more expensive for Native Americans to drive to adjacent communities to purchase their groceries. Fortunately, the price of gas dropped.

But since I've come to Congress, and particularly in the last week, I've seen, as a member of the Budget Committee and a member of the Natural Resources Committee, proposals in the President's budget for Cap and Trade legislation that would include \$646 billion in new revenue. Now, that new revenue is going to come from the American people.

Ms. FOXX. Would the gentlelady yield?

Mrs. LUMMIS. I yield.

Ms. FOXX. What does that word "revenue" mean? Don't we know it by another name?

Mrs. LUMMIS. We do. And the gentlelady makes a wonderful point.

These are taxes. These are taxes on the consumers of American energy. So if you have electricity in your home or in your office, or if you drive a vehicle, or if you use electricity or oil or gas or energy of any kind, you will be paying a tax. And that tax will amount to \$646 billion in new taxes, which will come out of your pocket.

So 100 percent of the people who use energy in this country will pay 100 percent of the taxes that will be levied pursuant to the Cap and Trade bill.

Now, this means that a typical consumer, in their electric bill in their home, will see about a 62 percent increase in their utility bills. And businesses, small businesses—such as you and the gentleman from Tennessee have been discussing—will see a 100 percent increase. They will see a doubling in their utility rates.

And, of course, other fuels will increase as well, including gasoline—which, once again, makes me recall my friend who brings groceries into the Wind River Reservation in Wyoming and the hardships that will be imposed on regular Americans as a consequence of Cap and Trade legislation.

In addition, the proposed budget by the President includes an enormous array of taxes on the oil and gas industry, which will, once again, be passed on to consumers in America—that is if the industry here survives.

And if the industry here does not survive or cuts back, that will reduce American jobs, it will increase our dependence on foreign sources of oil and gas. It fails to acknowledge that natural gas is the cleanest burning hydrocarbon. And my State of Wyoming, which produces coal, may end up shipping its coal to places like China, which are demanding coal and building new coal-fired power plants.

Now, I learned today in a committee meeting before the Natural Resources Committee from a witness that was brought in at the pleasure of the majority party that if you ceased all economic activity in the United States, Europe and Japan combined and did absolutely nothing, that unless China,

India and Russia changed their ways, we'll see no reduction in carbon emissions—which is to say we could completely cease all economic activity in Europe, the U.S. and Japan and still, because of the carbon emissions and the increases in carbon emissions that are occurring in China, Russia and India, there will be no reduction in carbon emissions.

So, in other words, we are not going to be able to influence. By hurting our own economy, reducing our own jobs, taxing our own people, we're not going to be able to reduce carbon emissions.

So, consequently, we need to look at the benefits of these programs that are being proposed in the President's budget and compare them to the costs. And I can tell you based on what I saw today in budget presentations in the Budget Committee and testimony in the Natural Resources Committee that the benefits of reducing carbon emissions in the United States, Europe and Japan are not recovered, and the cost is borne by the American people.

Ms. FOXX. Well, I thank the gentlelady for sharing that experience that just happened today.

I haven't heard it explained exactly that way, but I've known for a long, long time that we in the United States are not creating the problems. If there is a problem with global warming—I will tell you that I am a social scientist, not what would be called a "pure" scientist, but I've read enough to know that we cannot in any way prove that we are causing global warming.

I think that the Lord's in charge of this Earth, and a lot of things have happened before human beings got here. There's been climate changes without us, and I think they're going to continue. So I appreciate you bringing that in.

Mr. ROE of Tennessee. Would the gentlelady yield for just one comment?

Ms. FOXX. I would yield.

Mr. ROE of Tennessee. Just something even more sinister.

What the gentlelady from Wyoming was saying is that the carbon tax, if you look at it, or cap-and-trade, just so people understand what that is, is when oil is offloaded from a ship or comes out of a well, a tax will be placed on it at the wellhead. So you pay a tax that goes directly to the consumer. Again, the least people able to afford this are the folks on a fixed income, our senior citizens, which we have a lot in our community.

So when you go down to the grocery store to buy a bag of tomatoes or bread, it was brought there by a vehicle that's paying more to get there just because of this carbon tax. And the theory, as you pointed out, is we want to tax carbon to produce carbon dioxide into the atmosphere, and we'll use these other renewables.

And at some other time, I certainly would like to go into some ideas that we've shared at the local level about how to reduce carbon at no cost to the taxpayers.

Ms. FOXX. Well, I think this distinguished group of new Members should put together a Special Order one night and let's talk about energy.

We've been joined by another one of our colleagues who came into the Congress along with the two of you who have just been speaking, and I have been very pleased to have had him come over and help me on a couple of Rules that I have handled on the floor and am very pleased to have him join us tonight.

We have Mr. MCCLINTOCK from the great State of California, which is not exactly in the best financial shape these days. I don't know if he wants to share any of that with us. But I know he's going to have some great comments to share, and I want to give him an opportunity to join in our discussion here.

Mr. MCCLINTOCK. Well, I thank the gentlelady for yielding, and I particularly thank her for organizing this discussion tonight over the future of our Nation.

The discussion going on right here in these hallowed halls of Congress is exactly the same discussion that's going on around dinner tables, over backyard fences, over coffee at Starbucks.

Everybody understands that our Nation is in great trouble. It's getting in deeper. And I think every citizen realizes that each of us has an important responsibility to play in being part of that discussion.

The gentlelady is quite correct. California is in a world of hurt. It's followed exactly the same policies that this administration appears to be embarked upon. It's probably a couple of years further down the road than the rest of the Nation, which offers us a very important warning of what happens when reckless spending, reckless deficits and reckless tax increases all combine into a perfect storm.

California's unemployment rate is now in double digits. This, a State that was once a golden land of opportunity, a State that used to have a recession-proof economy. It was always the last to see its unemployment rate rise. Now it's the first, and the reason is public policy.

Mr. Speaker, I would like to add to that discussion tonight by broadening the discussion to a number of points that have been made by my friends on the majority side blaming the Bush administration for the Nation's economic woes. And I hope that I don't shock my friend from North Carolina to actually rise to join that chorus in some respect.

We are all painfully aware that the Bush administration increased spending twice as fast as we saw it increase under the Democratic administration of Bill Clinton. The Bush administration's first stimulus bill added \$160 billion to the national deficit through tax transfers despite warnings that it would do nothing to stimulate the economy, and it didn't.

The Bush administration's bailout bill last fall added another \$700 billion

to the Nation's deficit despite many warnings that it would not stabilize the economy, and it didn't. That administration ended with record spending, record borrowing, record deficits and an economy in shambles.

But my question to many of my friends in the majority, Mr. Speaker, is this: If record spending, record borrowing and record deficits is the path to economic recovery, why aren't we already enjoying a period of unprecedented economic expansion? In fact, all of the bailouts and handouts and loan guarantees that have already been enacted add up to over \$9.7 trillion, as we pointed out on this floor in the past. That is more than the modern-day cost—inflation adjusted—of the space race, the Vietnamese War, the Louisiana Purchase, the Marshall Plan and the New Deal combined.

The fact is, these policies don't stimulate an economy; they stifle it. And it doesn't matter whether these policies are enacted under a Democrat or a Republican. They don't work.

□ 2130

They didn't work in the recession of 1929, when Republican President Herbert Hoover increased the marginal income tax rate in this country from 25 percent to 65 percent and piled up taxes on imports. They didn't work in the resulting depression of the 1930s, when nearly a decade of Democratic President Franklin Roosevelt's New Deal spending failed to stimulate the economy. And we forget that the unemployment rate in 1939 was actually slightly higher than it was in 1931. And we know from a year of failed bailouts and handouts and loan guarantees that these policies aren't working any better today.

Today we learned that General Motors, despite billions of dollars of taxpayer bailouts, is still going under. Monday we learned that AIG, despite billions of dollars of taxpayer bailouts, is still going under. Mr. Speaker, don't they understand that the sooner that we stop bailing out failed companies the sooner we can begin a genuine economic recovery?

Ms. FOXX. Would the gentleman yield?

Mr. MCCLINTOCK. Gladly.

Ms. FOXX. I wrote this note down just after we started this session tonight, and I want to ask you if you have ever heard this famous quote by Einstein: "Stupidity is doing the same thing over and over again and expecting a different result." Do you think that characterizes the situation that we find ourselves in?

Mr. MCCLINTOCK. I believe Professor Einstein said it was not the definition of stupidity, but insanity.

Ms. FOXX. Insanity, excuse me. The definition of insanity.

Mr. MCCLINTOCK. And I certainly concur with that. And what we are seeing here in this new administration are the same mistakes, multiplied, that we've just seen in the last administration.

You know, before the failed \$700 billion Bush bailout bill, this Nation's budget deficit was around \$500 billion or so. Now, because of that mistake, the bailout bill—which, by the way, President Obama and many of my Democratic friends in the House supported and ultimately consummated—and because of all the other bills that have rushed through this House in the last few weeks with such reckless abandon, our deficit has tripled to \$1.5 trillion for this year, on its way to an additional \$1.75 trillion for next year. And as tempting as it is to censure the folly of the Bush administration's fiscal policies, I think we should be far more concerned with the greater leap in borrowing and spending that we are now pursuing under this administration.

Now, Mr. Speaker, there is one institution that doesn't look back, and that's the stock market. The past is utterly irrelevant to the stock market; it doesn't care where the economy was yesterday, it cares very much where the economy will be tomorrow. The stock market is strictly a forward-looking measurement of what investors are betting will happen to our economy in the future under current policy. And the precipitous decline of the stock market since these new policies have been unveiled should be a warning to us all—today the stock market closed at its lowest point in 12 years. If the policies we're embarked upon were destined to save our economy, you would think that those who make their living betting on the economy would be buying like crazy, and they're not.

Mr. Speaker, perhaps we would do well, then, to stop the partisan bombast and to realize that bad policy produces bad results, whether the President is a Republican or a Democrat; and, indeed, that Professor Einstein was right, doing the same thing over and over and expecting different results is, indeed, the definition of insanity.

I yield back my time.

Ms. FOXX. I thank the gentleman from California for giving us a great history lesson and reminding us of the kind of things that we ought to be about, again, regardless of what party we come from. And I want to say that I proudly voted against the bailout, predicted it would be a failure. And I voted every time in the last 4 years for reduced spending because many of us who came here in 2005 could see what was ahead.

I want to now yield some time to our colleague, one of the most dynamic people that we have here in the Congress, MICHELE BACHMANN, from the great State of Minnesota, where they say "Minnesota nice"—I learned that this summer. So, Mrs. BACHMANN, if you would, please, join us.

Mrs. BACHMANN. Thank you. I want to thank the feisty gentlelady from North Carolina, from the Appalachian region, who sets the new standard for all of us for what we need to do to be

sympathetic not only to the principles of the constitutional founding of this Nation, but sympathetic to the future of this great country. That's what we're all about here tonight, we're about growth, the future, where we're going to go.

And what we're very disappointed in is the bill that came before this body today. I think that there were intentions here that were meant to help people that were in homes to be able to stay there, but the unintended consequence could be that we could be killing the housing industry once and for all.

We've seen a proposal from our President that said that he wants to limit mortgage interest deductions for people that have a combined gross income of \$250,000 or more. That may seem like a great thing. That may seem like those are people who can well afford their homes and don't have to pay for interest deductions. Well, one thing that we know will happen, in all likelihood, from what we've seen in history when the luxury tax was introduced back in the late eighties, immediately what happened is we saw the boat industry go down, we saw the fur industry go down, we saw the jewelry industry go down. Well, so what we might say. The "so what" is that average normal Americans lost jobs by the droves. And so immediately Congress had to come back and reverse that ill-thought out legislation so that we could bring those economies back online, and they did.

Now, once again we're seeing history repeat itself. And we're very concerned because we're seeing not only an attack on people who have managed to be able to create wealth and who have managed to have capital formation—that's the genius of the United States, private capital formation; you're able to collect money that belongs to you, hold on to it, use that money, put it at risk, create a business, create a service, create products that help all Americans and people around the world. That's the genius of the United States.

Private ownership of property. What did cramdown do today? It did just the opposite. It eviscerated pillars that exemplify American exceptionalism, and it's this; it eviscerates the sanctity of the private contract and it eviscerates the rule of law. What are we without the rule of law? What are we without private contract?

When a person goes to a bank and asks for a loan to buy a home, when that happens, that's a private contract between a borrower and between the lender. Today, this body, the United States Congress, said no to those private contracts. It said that now an American can go ahead and go and file in a bankruptcy court, and a bankruptcy judge could open up that private contract and reset the terms, completely reset the terms. What will that mean? That will mean, in the future, what lender in their right mind is going to lend to someone to buy a

house if they know that a bankruptcy court will come back in and re-think this whole arrangement, perhaps to the detriment of the lender, and the lender may be left holding the bag. And if he isn't, certainly the forgotten man of the private taxpayer will be left holding the bag.

This is something that I found out today that I couldn't believe. You can have someone literally, under this bill, buy a \$1.5 million home, and in some of these markets—southern California, Las Vegas—you can easily buy a \$1.5 million home. And you could have seen that \$1.5 million home lose value so that today maybe it's only worth \$500,000. If you have that borrower go into bankruptcy court today, based upon today's fair market valuation, the bankruptcy court can go in, take your \$1.5 million loan, reduce it down to \$500,000. What happens to the borrower? They can sit in that house for 5 years. Once the 5 years is up, let's say that home has gone back up now, it's worth \$1.5 million again, then the buyer can go sell that house and they pocket that million dollars.

What about that million dollars? Do they have to take it on their income? Absolutely not, they don't; there is no income tax consequence. Is there a capital gains consequence? Under current law, \$500,000 of that gain would be tax free; in other words, that borrower would just skate. The lender was left hanging, the taxpayer was left hanging, but that borrower, who was able to live in that house for 5 years, takes \$500,000 in cap gains free, no tax consequences—what a deal if you can get it—and of the remaining \$500,000, they pay the cap gain on that. Amazing.

Mrs. LUMMIS. Would the gentlelady yield?

Mrs. BACHMANN. Yes.

Mrs. LUMMIS. Who is going to bail out the bank when the bank loses that money?

Mrs. BACHMANN. There's only one person left at this point to bail out. And what the President and what the majority that runs the House and Senate have said, it's up to the American taxpayer. It is the forgotten man of the American taxpayer who is the one who is on the hook for every single one of these boondoggles that we have seen introduced in Washington over the last 7 weeks, it is the forgotten man of the taxpayer.

And what's worse, under this legislation that came through today, you can take what's called the Truth in Lending Act, and the Truth in Lending Act says something like this; if in that example that I gave of someone who takes a house, they buy it for \$1.5 million, it's now worth \$500,000, the bankruptcy judge says now you only owe \$500,000 on this house, that person can go ahead and they can comb through the Truth in Lending Act. And if the bank that made that loan, instead of giving two copies of the loan to the borrower, they only give them one copy, that lender is in violation of the

Truth in Lending Act. Do you know what that means? That means that the lien that the bank has against that house, it goes away because the bank missed a technicality. So that because the bank missed a technicality, that person with the \$1.5 million home that they're now getting for \$500,000, they've just gotten a free home. I mean, they owe nothing on it because that bank has just lost their loan that they had, their lien on the property, and this borrower skates away.

Here's another thing that's even worse. Let's say that guy or girl had a \$1.5 million home, they take out a home equity line of credit for \$1.5 million against that house, they go out, they buy a yacht, they buy a BMW, they take their kids and they go down to Orlando, they do any number of things, so they take that money and they spend it. Guess what? Same result. They will owe nothing because if not every jot and tittle of that Truth in Lending Act is followed, that borrower cannot only see their loan principal reduced, they can see it vanish and go away.

This is beyond belief. It reminds me of that television show "Deal or No Deal," you know. You keep looking to see if some banker has violated some technical provision so you can get a free house. It seems like we're now in the business of turning normal Americans into crooks, where we're going to encourage normal Americans to just stop making payments on their home. Why? Because they can get a better interest rate; they can get a reduced principal; they can get terms that are up to 40 years with zero interest. Just think of the inducements. Shouldn't we be inducing Americans to make growth decisions, good decisions?

These are graveyard economics for the future of our country. And think of the lessons that we're giving to the next generation about how to conduct your financial affairs.

Mr. McCLINTOCK. Would the gentlelady yield? Just a question. You brought up a great point a minute ago where the massive borrowing takes money away from private business. Do you think that what we've done here in the last 7 weeks has been a job creator or a job killer when that much capital goes out of the market?

Mrs. BACHMANN. Doctor, what would you think? I mean, this will be a job killer. As I said, this is graveyard economics. We will not only see, I believe, a continued diminution, if we follow the Obama administration's new calculus on the economy, we will see our senior citizens, I believe, continue to reduce the valuation in their 401(k)s. That's not the future I want to see.

I will yield to the gentlelady from North Carolina.

Ms. FOXX. Thank you, Mr. Speaker. I yield back.

THE CRAMDOWN BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of Jan-

uary 6, 2009, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Mr. Speaker, I appreciate the honor to address you on the floor of the House of Representatives.

As I came in here awaiting my appointed hour, I was fascinated to listen to the Members who have spent the last hour talking about what is happening to our country, what's happening to our economics. And I wanted to take this thing another step.

Listening to the gentlelady from Minnesota always has me entranced as to how deeply the thought goes on the economics on that viewpoint particularly.

□ 2145

But I will take it another level from the level of a million and a half mortgage down to \$1 million in the pocket that has been described here. Let me say that a borrower can also misrepresent their income. They could fraudulently misrepresent an appraisal on that property. They can misrepresent their job status. They could commit actual fraud.

They could misrepresent or, under false pretenses, obtain this loan. And the bankruptcy judge, who would now, under the provisions of this language that passed the House today, this bankruptcy judge couldn't even consider the actual fraud or the misrepresentation or the false pretenses because we offered that language in the Judiciary Committee.

In fact, I offered it as an amendment, and it passed the Judiciary Committee by a vote of 21-3. It was not quite the unanimous judgment of the Judiciary Committee that we ought to prohibit any of these cramdown provisions to anyone who has misrepresented themselves in order to get this mortgage.

But, after the fact, after the amendment passed the Judiciary Committee 21-3, without any notice to any of the Members that I am aware of, the language was changed in the bill that came to the floor, which we found, out of due diligence of our staff, reading down line by line, to make sure there wasn't something going on behind the scenes, well, there was. They changed the language.

And the language in the bill, which they have refused to even allow a vote to correct, get back to what the Judiciary Committee approved, that language in the bill now says that the borrower will have available this relief under the bankruptcy law unless they have been convicted of fraud, not out and out open fraudulent action or misrepresentation or obtaining a loan under false pretenses, that's not good enough for the bankruptcy judge to even consider that in his evaluation on whether he is going to dial the 1.5 million mortgage down to half a million and let him walk away with a million dollars in profit out of the deal. But even if they walk away with misrepresentation, they can't consider that be-

cause this Congress has said only can he consider it if the borrower is convicted of fraud.

I yield to the representative from Minnesota.

Mrs. BACHMANN. I thank the gentleman for yielding.

What's amazing about this bill, this cramdown bill, this historic bill that was passed today, is that potentially who are millionaires, who received loans and the multimillion dollar level of loans, literally could have received a loan with zero down. So they could have gone into a home, they had absolutely no skin in the game, zero money down.

In fact, they could have had a negative-equity loan, which means they could have gotten money back at closing. So they could have had zero down with money back at closing and then they could have gone and taken out a home-equity loan based on the value of their property. This was happening.

I mean, let's not forget, just as recently as 2005 we were seeing housing prices go up and up and up. Remember, half of the houses that went into foreclosure were investor homes.

So people were out there going into homes, thinking they were going to flip them, getting in so highly leveraged, and they got into this game. And now, if you own that property, you will be able to go, and you don't even have to answer your phone if on your caller ID you see it's your lender, you don't even have to pick that phone up and talk to your lender. Under this legislation we are going to start seeing television commercials where its plaintiffs' bankruptcy attorneys saying call me, call me, call me. I can get you a better deal on your house.

We are seeing all those ads on TV now. You don't have to pay your tax bill, I will get you off the hook. You don't have to pay your credit card bill. Don't worry, I will get you off the hook, but the one thing, I was born in Iowa, just like our great representative, one thing we learned when we were growing up, we have to pay our bills. Because if we don't pay our bills, our grandparents taught us somebody else is going to, and that's tantamount to stealing.

What I saw today in this cramdown bill reminded me of the 10 commandments and what the 10 commandments teaches to all people in all cultures, and that's that we shouldn't take what doesn't belong to us. When I look at this legislation and it makes clear that people can go before a bankruptcy judge, they can get a false valuation on their home and have their whole debt essentially wiped out. And if they sit on that home for 5 years, they could walk away and skate on a profit at somebody else's expense, I don't know what else you call it. I have no idea what else to call it.

I just know this is immoral. This bill that passed today is nothing short of immoral and people should be ashamed of putting their name on this bill.

Mr. KING of Iowa. There is no question, I agree, it's immoral. It undermines the underpinnings of this free market society that we are. It breaks the contract between property and assets and borrowers and lenders.

When that contract is broken, when the faith is broken—and I have sat in the bank many times with my hat in my hand trying to start a business. When I started a business in 1975 and I had a negative net worth of \$5,000, I went into a capital intensive business. So I did a good job of marketing, at least that's one of the things I was able to sell, the business idea. But many times I was short of enough cash to make things work.

And I would go into the bank, and I would have to justify it every time. I would have to have the assets underneath that in order to convince the lender that I was going to be able to pay the loan. And I had to have the prospective accounts receivable and they had to be represented right and accurately. I had to have a balance sheet continually, at least annually, often monthly profit-and-loss statements—all of this to justify a business operating loan that I could keep my employees work and be able to pay the bills on time.

All of that level of integrity that's built into that relationship between the borrower and the lender, the time-honored relationship between collateral and credit and character and capital, is being ripped asunder by this bankruptcy bill, by this cramdown bill.

And, so, now what will happen is, lenders, those who decide they are going to still be in the business of mortgage lending, they have got to go back and reevaluate this equation, this business equation which says the degree of risk has to be proportional to the potential for profit. That's the equation. You put the equal sign in the middle, degree of risk, potential for profit.

Mrs. BACHMANN. Let's remember, there is no free lunch here. That's what Milton Friedman, the great economist said. There is no free lunch, because when a judge writes down, let's say, the multimillionaire went out and bought that million dollar and a half house, now the fair market value is \$500,000 now. So the bankruptcy judge, with a stroke of the pen, said "voila," now you only owe 500,000 when before you thought you were going to get a million and a half. The banker gave you a million and a half. What happened to that million dollars? Where did it go?

Well, remember, when the banker gave that money out and got the house back in collateral and got the promise from the borrower that the borrower was going to pay back that million and a half plus interest, the banker sold the right to that mortgage. He packaged it up in mortgage-backed securities and he sold those securities.

So now those mortgage-backed securities, which kind of started this whole meltdown in the first place, because we

are worried about their valuation, now we have mortgage-backed securities that we thought were toxic before and in trouble before? Now these mortgage-backed securities, after this bill that was passed in this Chamber today, have just been made radioactive. There is no one who will touch these mortgage-backed securities.

So in a very odd, circuitous sort of way, this administration, and those that run the House and run the Senate, have just guaranteed that mortgage-backed securities are worth even less than they were worth before today. So who is going to pay for this loss? Eventually these insurers and these bondholders, because there was a carve out for AAA bond holders in this bill.

I don't know if you are aware of that, but if you are a AAA bondholder, you skate on this bill. You don't have to pay for the losses. But if you are anything else, a BB bondholder, you lose on this deal.

And so where will these people go, these insurers go? People will go to the claims court, and they will make an application at the U.S. Claims Court.

Guess who will be paying the claims? The United States taxpayer, the forgotten man, the chump at the end of the stick will be the United States taxpayer who ends up paying the freight on all of these big ideas.

At the end of the day, you have graveyard economics. And what we know is that there is a better way out of this. There is a positive ending. We don't have to have a sad ending.

That's the grief that I think we have been living with these last, 6, 7 weeks. We have seen a very sad ending to our economy, but we know there is a great ending to the economy. There is a completely different alternative that we can offer the American people.

Mr. KING of Iowa. Well, I thank the gentlelady from Minnesota, and I would point out that the point you made about these bundles of mortgage-backed securities that are tranching and sliced and diced and packaged and repackaged and sold up and down the chain and coalesced into certain values of securities, have created toxic, truly toxic assets. The value of these assets cannot be considered any longer. They cannot be evaluated.

This degree of risk can't be evaluated as being proportional to the potential for profit. And we watched these markets tank nearly every day, nearly every day during the Obama administration.

In fact, I had some interesting numbers that I ran today and I think they will be informative to everybody in this country, and I don't think anybody has asked this question until today. So I went back, and I am watching the Dow just tailspin. So I went back and took a look at has any president in history ever had such a, let's me say, negative start economically at the beginning of their administration?

So I went back to November 4, the election of 2008, took a look at where

the Dow was on that day as our lead indicator of our economic growth or shrinkage, as it might be, and evaluated the first four months of President Obama's from the moment that the markets recognized that he would be the President being elected until today, 4 months from that period of time, November, December, January, February, roughly speaking, and compared that to the previous presidents as long as we had electronic records.

And it turns out to be this, as one might expect, FDR, up until this time, got the worst welcome from the Dow Jones Industrial Average. In fact, he got the two worst we will come on record. In 1932, in the first 4 months, the Dow drooped 16.63 percent. On Franklin Delano Roosevelt, that was their level of lack of confidence in his election in 1932. In his election in 1940, it dropped 9.3 percent. Those two drops are the two largest in history of welcoming a presidential election by the market reacting.

And, by the way, the most positive reaction was, both of us born in Iowa, I will tell you, was Herbert Hoover, and we could go into that, perhaps. But in any case, President Obama's start is the worst economic start in the history that I can trace back electronically that goes back at least to Herbert Hoover's administration.

Franklin Delano Roosevelt saw the markets dropped 16.3 percent in the first months after he was elected in 1932. But, today, the first months after President Obama was elected, we have seen our Dow Jones Industrial Average drop 31.49 percent in that period of time.

It's almost twice as much of a drop and, under this administration, as any administration in our electronic history. I think it's breathtaking, the message that the markets have shown.

And this, by the way, isn't just a President Bush economy. If you will recall, President Obama supported the \$700 billion bailout plan. He came to Washington to work on it too and decided he would support the proposal.

This Congress approved, I can go over our resistance, \$700 billion, first half, \$350 billion went essentially right away to pick up these toxic assets that then we thought were toxic today, are far more toxic than they were. The other \$350 billion had to be released by Congress. That was done so under the Obama administration.

This is his economy. He is fond of saying that he had inherited a trillion dollar debt. Well, this debt is increasing more and more each coming week.

In fact, tonight on one of the networks, they announced that President Obama's wish list, if you add it up, comes to \$20 trillion, \$20 trillion. Now, I have not put all the line items in that, but that is a breathtaking number, \$20 trillion.

And how can we have a level of confidence in this when you are seeing this kind of a response? Every day we have negative financial news. I am seeing

nothing that comes back that shores up confidence in this marketplace. The markets are going to react to an opportunity to make profit, and the government is stepping in and nationalizing and interceding themselves in the marketplace, the confidence in the marketplace is going down, not up.

You see the asset value of our lending institutions, our mortgage bankers, going down day-by-day. These institutions were going to be shored up, and they haven't been shored up. We haven't let the markets work. There is one thing we know for sure that if we keep our free markets together, if we don't get everything nationalized and all socialized, we will recover from this. But the question becomes, how long does it take?

□ 2200

Mrs. BACHMANN. I thank the gentleman from Iowa, Representative KING, for yielding.

Conversely, you had given the numbers about how the market has been tanking in the last 7 weeks since the Obama administration took over. Now, compare and contrast that to the Bush tax cuts. The first quarter after the Bush tax cuts were put into place, already we saw revenues increasing to the government and we saw an economic uptick. That's how quickly those incentives will come into place.

I handed out literature this week to various colleagues to show that our economy on its own, in a miraculous way, which always happens, is already healing itself. We saw that we had about 5 million existing homes out on the market. That number has now dropped to about 3.8 million. So the housing stock is already in the process of depleting and demand is coming up. Interest rates are coming down. In some segments of our economy, we see 85 percent home sales that are being completed. So we're seeing a turnaround already in the housing market, although now with cramdown, that may change a little bit after the lesson of today.

But also in the auto market, we're seeing pent-up demand building. We saw a very low number of sales that were completed in February, about 42 percent fewer sales. That's a dramatic low in auto sales; however, we're seeing pent-up demand. People want to go out and buy a car. But because of the news that they have seen come out of Washington the last 7 weeks, people have been unwilling to spend.

But what is it that would turn it around? That's the positive answer and the positive solution that can be on the horizon. We could turn our economy literally around if we would do a few things: One of them would be that all of this money that has been committed, and if you go back to about January of 2008 and you take a look at all of the commitments that the Federal Government has made through both the Bush and the Obama administrations, the trillions and trillions of

dollars, if we would reel that money back in that hasn't been lent yet, that hasn't been spent, if we would reel those commitments back in and not spend them, because guess what, all that spending hasn't worked yet; so how is spending \$20 trillion more going to turn it around? If we would pull that in and if we would give the marketplace one thing it's been begging for but hasn't gotten: certainty. The marketplace needs certainty. And what the Obama administration has given them is buckets of uncertainty. So that's why we are seeing the economy tank.

So if we do a few very simple things: One, for at least a 3-year minimum, zero out capital gains so we could get people off of the sideline, sell their assets, whether they're stock, equities, whether they're buildings, whether it's homes, sell their assets and have zero capital gains, minimum 3 years, preferably for 4 years, people would get in the game and they would start buying and selling and creating wealth because that, after all, is the genius of America. The ability to have private capital formation from which wealth comes and which you create more wealth.

Number two, the United States, as Representative KING knows, has about the second highest corporate tax rate, business tax rate, in the world at about 34 percent. If we would take that corporate tax rate from 34 percent down to permanently 9 percent, we would make America in this global economy, where we have an economic global malaise going on, we would become the situs to do business, and we would bring capital from all over the world because investors all over the world are looking for safety. They're looking for certainty. If you can have zero capital gains, 9 percent corporate tax rate, then for our United States citizens, cut everybody's taxes 5 percent on the margin. So you cut everybody's taxes down.

And then let people know what's going to happen with the death tax. We all know the right year to die in the United States is 2010 because then you have zero estate tax. But after that President Obama wants to institute a punishing high tax rate. What we need to do is just repeal the immoral death tax. That will bring more certainty to the marketplace than anything else. Our problem, then, Representative KING, would be where are we going to find the workers to find all the jobs that would be created? That brings certainty. That brings the ability to have private wealth creation, and it gives us a pro-growth, pro-prosperity climate, rather than what we have been dished out for the last 7 weeks: a graveyard economic climate.

Mr. KING of Iowa. I thank the gentlewoman from Minnesota.

And I really appreciate your bringing up the suspension of the capital gains tax. That's an issue that I have advocated for strongly. I have advocated for suspending it for 2 years. I like the idea of 3 years. I'm not going to quibble

over the 3rd year. But there is so much capital that's out there on the sidelines today. There is at least, or there was, at least, before the market spun downward, \$13 trillion in U.S. capital that's stranded overseas because it's faced with capital gains tax if it comes back into the U.S. marketplace. If we suspend the capital gains tax, theoretically all that money could come back into the U.S. market. It will find the smartest place for it to be invested. I don't think it will be \$13 trillion. I think it could be \$2 to \$3 trillion, which is a tremendously large number.

I want to also suspend capital gains tax on rescue capital that would pick up these toxic assets. That has shifted since then, since I introduced that legislation, but suspending capital gains tax does the job, and it freezes up the capital that sits along on the sidelines.

And in our corporate income tax, the second highest in the industrial world, to scare our capital out of the United States and send it overseas and then try to legislate a way that we can chase it with the IRS taxman is the wrong way to go.

There's a reason why that capital is going overseas. Because it's a smarter investment. Capital is always smart, and the death tax is just cruel. It is cruel. I have, and I think many Members have, received calls from constituents whose mother or father was lying in the hospital and they're making a decision whether to put them on life support or to take them off life support. And every time this subject is ginned up here in this Congress about whether and when the death tax will be repealed or, as people on the other side of the aisle advocate, whether it's going to be put back on again and there won't be any relief, there are decisions made that are just perverse, to put a family through having to make a decision on whether they're going to plug somebody in or unplug someone in an end-of-life decision. That's what government does.

So for me, I would eliminate the IRS and the entire Federal Income Tax Code. I would take the tax off of productivity. It was Ronald Reagan that said that what you tax you get less of. But the Federal Government in its presumed wisdom has the first lien on all productivity in America. If you have earnings, savings, or investment, Uncle Sam is there with his hand out to take the cash and put it in his pocket before you get the share you're working for. If you go to work tomorrow morning and you punch in at eight o'clock, just kind of think of that little ding when you punch the timecard. Uncle Sam's goes out. "I want mine," he says, in a nice subtle way until he gets it and he puts his hand in his pocket. If you're investing, if you're selling real estate, if you're collecting interest on a deposit in the bank, your earnings, your savings, your investment, stocks and dividends and shares, all of that that's converted to Uncle Sam, he's there getting his share out of productivity.

But if we adopt the fair tax, the national sales tax, then the result of that is we take the tax off of production and we unleash the American production machine and everyone can be an entrepreneur, produce all they want to produce, earn all they want to earn, save all they want to save, invest all they want to invest, and then make the decision on when they want to pay taxes by when they do their purchases. Not a VAT tax, the last stop on the retail purchase, sales and service. It totally transforms the dynamic, and it gives America a 28 percent marketing advantage over products made in the United States versus products that are imported into the United States. That saves Detroit. It saves the UAW. It saves the National Association of Manufacturers. It puts them on the profit side and makes America again the industrial powerhouse for the world and improves our national security all at the same time.

In fact, to wrap it up in a little nutshell here, everything good that anybody's tax proposal does is done by the fair tax. And everything that anybody's tax proposal does that's good is done by the fair tax. It does them all. It does them all better. It changes the dynamics of taxation. It unleashes the free market economy.

But instead of that, we're here punishing producers. We're punishing the people that earn, save, and invest. We want to raise taxes on everybody in America. This 95 percent of Americans getting tax relief and taxing the top 2 percent or 5 percent under this idea of the President, Mr. Speaker, doesn't hold up. We've got the carbon tax at least that's imposed on this. That's a tax on everyone in America that uses anything that uses energy. And I would defy anyone to come up with anything we use that doesn't use energy. And the people who are at the lowest end of the economic scale are the ones that are paying the highest percentage of their income for energy. They'll pay the highest taxes as well.

I yield to the gentlewoman.

Mrs. BACHMANN. There was an article that came out in Congressional Quarterly last April, and it was interesting. It said with the carbon tax, it doesn't matter if you are manufacturing or if you are helping orphans in Africa. Every human activity will involve an aspect of the carbon tax. So it is very disingenuous for our new President, who stood right behind you last just Tuesday during his State of the Union message, when he looked into the camera and he told the American people if you make less than \$250,000, you won't pay one dime more in tax. Now, would that that were true. I wish it was true. But we all know he contradicted himself with his own words in the same speech when he said he wants to introduce the energy tax because energy tax will impact everyone.

We all remember how much fun it was last 4th of July when we were all paying well over \$4 a gallon. We

thought we were going to see gas at \$6 a gallon, \$8, \$10. We didn't know where gas was going to top out. Every morning you'd get up and the first thing you would do is you'd look at your local gas station and see is it up 10 cents today, 20 cents today? The economy felt like it was out of control.

I am very concerned that here we are in an economic downturn when the demand for energy is low and so we're seeing the price of gas go down accordingly. This is exactly when we should be revisiting the American energy debate. And we should open up every form of energy for exploration that there is. Coal isn't evil. Oil isn't evil. Natural gas isn't evil. Wind isn't evil. Biofuel isn't evil. Solar isn't evil. None of these forms of energy are evil. But the interesting thing is the way that the Obama administration is approaching energy, they make evil the production and use of one of the basic building blocks of our economy. That's energy. This is a warped view of America. It's not the view that we grew up with in Iowa. It was not our commonsense understanding of fairness. We don't want to punish people for trying to get ahead. We don't want to punish people for trying to succeed and have a good economy. Fairness is what we need to be about. The Tax Code today has nothing to do with fairness.

The proposition you were talking about was fairness for the American people. I talk to people at all economic strata, and they say everybody should have to pay something. Everybody should have to pay something in taxes. People just shouldn't be exempt. It's not fair that just a few people pay taxes while other people don't. And the proposal that you're offering with the fair tax is one that should be debated in this House. The flat tax is one that should be debated in this House because everyone benefits by having a strong country. Everyone should have to participate in a simplified, easy-to-figure-out Tax Code where, no kidding, your tax return could be about this big and you could fill in an amount and you're done. Or you could even be simpler and just pay tax every time you go and you purchase something at the point of sale. There are a lot of ways we could do this, but it needs to be fair and it needs to be shared.

Mr. KING of Iowa. Reclaiming my time, the tax structure that we have and the language that was delivered here about everyone gets a tax cut unless you're in the top 2 or 5 percent, or above \$250,000, but the insidious tax that goes in, the carbon tax that permeates every aspect of our economy and punishes the poorest among us, in a way it's like the cigarette tax. You add 61 cents a pack to cigarettes. The folks that smoke the most are the ones at the lower end of the income bracket. They are the ones who can least afford it. But we impose a tax on them and we call that a "sin tax."

Then you get a promise that comes out from the White House that says "I

am going to create or save 3½ million jobs." Now, the first time I heard that, okay, but somebody's going to call him on that, and really nobody has yet. The President is going to create or save 3½ million jobs. Now, think about what that means. If you were down there in maybe grade school and they were teaching you how to rationalize someplace between two plus two and two times two, you would come across the rationale of "create or save" leaves a little escape clause in there. Which jobs would be created and which ones would be saved? If they're not defined and we have a workforce of about 142 million here in America, as long as there are 3½ million jobs left, the President can claim he saved them.

□ 2215

So it fits the definition. That is how broad this is. And we are to be mobilized by this and moved, to leap into this giant leap of faith of trillions of dollars in borrowed money, the intergenerational theft that JOHN MCCAIN and MICHELE BACHMANN will talk about and we talk about as well, it is intergenerational theft on a promise that 3.5 million jobs are going to being be created or saved.

Here is another one. Cut the deficit in half. I remember where I heard that. That was actually President Bush that advocated he was going to cut the deficit in half in 5 years. I remember that was the timing.

Our current President would cut the deficit in half by the beginning of his second term. But we are going to create this large deficit, and then well have something more easily sliced in half. Maybe he inherited a \$1 trillion deficit, but we have a \$1.75 trillion deficit advocated today. It is pretty easy to cut it.

Let's just say you weigh, I don't want to use your weight, say you weigh 200 pounds and say I am going to reduce my weight by 10 pounds. Then you could gain 20 and lose 10 and you have lost 10 pounds. That is kind of how this thing works, by cutting the deficit in half. We grow the spending and then slice the spending down and advocate or at least allege that the deficit has been cut in half.

I yield to the gentlelady from Minnesota.

Mrs. BACHMANN. I thank the gentleman.

I would love to see that circus trick performed. When does government grow and ever contract down by half? It doesn't happen. Find an example where it happens. It doesn't happen.

Here is my concern about what the Obama administration may be doing. I am very concerned about the inflationary aspect. Inflation is the cruelest tax that you can inflict on anyone, especially when you have senior citizens who spent a lifetime being prudent, working hard, scraping, maybe saving 10 percent of their income in every check, putting it away, squirreling it away, helping their kids out, paying

for weddings, paying for college, paying off things so you could have a nest egg. And here you maybe have \$200,000 or \$400,000 in the bank, or \$125,000 in the bank, and then you look at the last 7 weeks America you see that your 401(k) has dropped a third in value. Maybe by this point it has dropped 50 percent in value, your 401(k). That is just with the current economic decisions we have seen thus far, before this administration has spent \$20 trillion.

Then you look at the Federal Reserve, which has been busy in various parts of this city printing money, 24 hours a day, 7 days a week, pumping money out into the money supply, inflating the currency.

What have Americans been doing? When all of this started, the U.S. savings rate was negative 1 percent. During the Depression the savings rate was negative 1.5 percent. You know what the savings rate was in the month of January? Plus 5 percent.

Why is that? Human action. Americans are scared to death about the economy, so they have taken the money that they have had and they have held it. They decided not to buy. Hence we see the anemic car sales going on, because they are scared to death. Every day we see the Obama administration saying they want to spend this many trillion, that many trillion. Now they want socialized medicine. Now they want a carbon tax. It is like more, more, more, and people have figured out this calculus doesn't add up.

So if we inflate the money supply, as the Federal Reserve may do in conjunction with our current Treasury Secretary and the Obama administration, we could potentially see our dollar, if you own a dollar in 2008 and the Federal Government pumps extra dollars in, in 2009, but there is no additional productivity, there is no additional value behind those dollars, it is just paper that comes into the system, if you have \$2 in your hand and no more additional worth, you really only have 50 cents. In other words, that dollar isn't worth a dollar anymore, it is only worth 50 cents.

So inflation is a cruel tax. Just because your 401(k) maybe lost 50 percent of its value because of the stock market, you could see your 401(k) lose another half because of the cruel tax of inflation. That is the next policy that we need to see over the hill that may be coming with these Obama policies.

I don't know if the gentleman from Iowa would like to comment.

Mr. KING of Iowa. Reclaiming my time, I will say the other alternative is to have a huge growth in our economy, a booming economy, a booming economy that would grow us out of this so we don't have to put so much money into the market that inflation devalues our dollar.

Now, I would ask, how is that going to happen in the face this massive growth in government and in government spending? Where is the entrepreneurial spirit, when it has been killed

and squelched by taxation, by over-regulation, by messages that come out that are against energy. Nearly every sector of our economy is under assault from people that don't believe in free enterprise.

I would go further and say there is a huge philosophical divide that goes about right down the middle of the aisle right here. This is free market people over here. They believe in personal responsibility and strong families and the Constitution and the rule of law. The pillars of American exceptionalism are often defined in the dialogue over here. They are often derided by the dialogue that comes from this side of the aisle. Now it is an all out assault on our institutions.

I had a time a couple of weeks ago where I sat down with some dissidents in Russia. They said to me that Putin had destroyed nearly all the democratic institutions in Russia. They said we don't any longer have a fair election, we don't have an independent press, we don't have an independent judiciary, we don't have an independent legislative body in the Duma. In fact, I had to stand in line for an hour just to get in the door.

But those are four of the institutions that they mentioned, and they said our freedoms are really gone. There is no place else for Putin to go to take away any more of our freedom, because he now owns the institutions and has taken over of the institutions of freedom. They called it democracy.

Here we have institutions all under assault. Each one I mentioned is under assault. We don't have an independent legislative process anymore, not when a bill can come out the Speaker's office directly to the floor without committee action, without amendments being allowed in subcommittee, no subcommittee action, no committee action, and the floor action is a bill that comes down from on high at 11 o'clock at night that hits the floor the next day with no amendments allowed and an hour's worth of debate, and then it is crammed out of here and on over to the Senate before the public can wake up and even understand what has happened. I don't blame them for not knowing. A lot of people in here don't know what is going on either, but there is no opportunity to intervene or even make the case.

The independent legislature now turns into NANCY PELOSI and HARRY REID and the President. They could meet in a phone booth, the three of them, and make the decisions on where this country is going to go, to the dogs, if we let them. And that is what has happened to our independent legislature here. It is not accountable. The process has been subverted.

That is just one thing. We have the institution of the media. They have the mainstream media. If you look at where they donate their money and how they register their vote, that institution has been taken over. The educational institution has been taken over. The list goes on and on.

The rule of law doesn't mean so much any more, not when I arrived down on the border some time back and we happened to catch a drug smuggler that had about 450 pounds, excuse me, it was I think the number came to 218 or 220 pounds of marijuana under a false bed in his truck. It was 18 bales.

It was under 250 pounds, because we weren't prosecuting people that had less than 250 pounds of marijuana when they came across our border to smuggle it into the United States. They since changed that and raised it up to 500 pounds because we didn't have enough resources to prosecute.

The rule of law set aside? Another institution that is not respected universally, without question? And now the Director of Homeland Security, when there is a raid that is done for illegal employees that are working in an engine shop in Seattle, decides, well, I didn't know they were going to go in there and pick up those people illegally working, so I am going to investigate the investigators that are underneath her control. The rule of law suspended because there is a political equation involved in enforcing it?

Institution after institution are under attack in this country too, and I think they understand that in the place I have been.

The gentlelady from Minnesota.

Mrs. BACHMANN. Thank you to the gentleman from Iowa for yielding.

I think you are stating it very well. There is a strong, bold, philosophical divide. One has faith in the people, faith in the future, faith in the Constitution, faith in the pillars of American exceptionalism, the rule of law, the sanctity of the contract. Those are pillars of freedom that America was built on that caused our greatness, that gave us a pro-growth economy, that was the envy of the world.

On the other side of the equation we have our brethren on the liberal side who have a completely different faith. Their faith is in the state. Their faith is in big government. They said this is the new era of big government. They have embraced socialism with both arms. They love socialism. They can't get enough of it.

They want to make sure that the American people will have their fill of socialism, so much so today I had farmers in my office who told me just a few years ago crop insurance was 33 percent provided for by the State, just a few years ago. Today, 80 percent of all crop insurance is purchased through the Federal Government. Why? Because the Federal Government subsidizes that rate, and so they are crowding out private insurers for crops and they are becoming the new game in town.

Just like what we saw the liberals do here in Congress with those who give out student loans. They didn't like the idea that private banks and companies offered and made student loans. No, that wasn't good enough. The liberals that run Congress wanted to make sure

that the government gives out student loans. Where is their faith? Their faith is in government.

Now what do we see with health care? It just roils those liberals to have private health care and private pay of health care. They can't stand it. What do they want to make sure we have? They want to make sure we have socialized medicine, and as quick as possible, so quick that in this stimulus bill that you spoke of, Representative KING, that not one person in Congress read before we voted on it, one hour of debate before we were forced to vote on this bill, we couldn't even ask questions hardly on this bill and we were forced to act on it.

There is a rationing board, a Federal rationing board for Federal health care. Not only that, all Americans will have to have their health records, including their mental health records, all poured into one health record per person, and 600,000 entities, not people, 600,000 entities will have access to every American's health records.

This Congress, led by the liberals who have more faith in the state, more faith in government than in the American people, has decided that everyone's private health records will now be naked before the world; that 600,000 entities will now have access to every American's private health records, including chart notes from therapists if they go to see a mental health professional.

That is the faith that we see from the liberals that run this Congress. That is the future that they have defined for Americans. That is not the future that I hear when I go back to the Sixth District of Minnesota. The great people in Minnesota, just like the great people in Iowa, are working pretty hard these days. They are pretty nervous these days. They have faith in themselves, in their fellow man. They go to their churches. They are praying. They are seeking relief. And they are concerned about what they are seeing come out of Washington, D.C.

I just want the American people to know, there are a few of us here in Washington that still believe in American exceptionalism, that still believe in our Constitution, and that still believe in the greatness and the future of this country and that it lies in the hard work and innovation of the American people, and we are not going to give up that level of freedom.

I yield back to the gentleman.

Mr. KING of Iowa. I thank the gentlelady.

I point out I had a conversation with an individual that represents a company domiciled in your State of Minnesota who, because of the language that was in the stimulus bill that no one knew was in there, it cost their company \$25.3 million with the stroke of President Obama's pen just for the provisions on health care that were slipped into the stimulus bill. A \$25.25.3 million check they have to write just to get themselves even with where they

were the day before that bill came raining down from on high here with no amendments allowed. That is some of the things that are happening under the guise of stimulus.

Now, if you need to stimulate the economy, one would think one could be restrained from slipping in this entire wish-list that has been an accumulation of a generation of liberal wishes, without a model of success, I might add, and with nothing to point to in history except failure after failure after failure. The discouragement of human endeavor is what comes out of the socialist approach. And yet the group that spoke before your group came to the floor and was advocated the Progressive Caucus, they put up two blue posters up over here, the Progressive Caucus.

□ 2230

So I found myself in my office. I ought to take a look and see what the Progressive Caucus really is. Well, I know how to find them. You go to dsausa.org. That's the Democratic Socialists of America, dsausa.org. They are the socialists. And they used to maintain the Web site for the Progressive Caucus until there got to be a little bit too much publicity, then they severed that relationship and the Progressive Caucus now manages their own out of the House here. But the connection goes back a long time. And you can go to that Web site, Democratic Socialists of America, and read, and the first thing they tell you is, we are not Communists. There's a difference between us. Communists believe that the state should own everything, including your dog. They didn't put that in there. But we, as Democratic Socialists, believe that, no, there should be some private property, and small businesses need to be able to run so they can be flexible enough to take care of the immediate needs of people like, I suppose, selling Polish dogs out here on the streets of Washington, DC. But big business—this is on the Web site. Big business should be run for the benefit of the people affected by it, which means they should be run by the customers. So if you have, let me say, a franchise chain of bars, they would be run by the drinkers. And if you have a company that makes bread, then it would be run by the people that eat the bread, not by the people that need to make a profit. It totally changes the reasons that we are in business. And it goes back to the idea that there can be central planning, central command, and somebody can manage an economy, instead of the invisible hand that makes it happen magically if you just let the market make the selections for you. That's their view.

And on that Web site it says that they want to nationalize the oil industry in America, nationalize the refinery industry in America.

Mrs. BACHMANN. And the gentleman knows that if you look at the living laboratory of history and eco-

nomics of the last 100 years, you can see example after example of the Progressive Caucus, where their ideas have been implemented, and you can see the ramifications and the results of those ideas. They've resulted in millions of people's deaths by government and untold misery for generations. Where Russia was, for instance, trying to come out of its Soviet and its socialist domination to now, what the gentleman had just stated is a reverting right back to it.

Tyranny, in human history, is the norm. Freedom is the exception. That's the oasis of America, the beauty of America, that throughout time, when tyranny has reigned supreme, the United States came out of the mist like a gem, like a midnight sun that came out of the darkness, and it has shone as a beautiful symbol of freedom for 230 years.

And that's the question. Here we are now, 2009, will we continue to forge the link on the chain of freedom, or will this be the last link of freedom, and will the next one be broken, and will we revert back to tyranny? That's the question before us tonight, because what we are seeing is so historical, so profound that the United States has no way of continuing to look like a free country 10 years from now if we continue to implement just the concepts that we have seen implemented in the last 7 weeks.

Mr. KING of Iowa. Reclaiming my time, I absolutely agree with the gentlelady from Minnesota (Mrs. BACHMANN). And I would add that there's this line down through the middle of the aisle. When you turn to the left and you shift these policies towards the socialist side of the ledger, it always diminishes freedom. And when you shift them over on the conservative side of the ledger, it enhances their freedom over to where you get to the point where it goes on to the other side.

Let me just say this, if you have no taxes and no regulation and laissez faire, then you have maximum opportunity for free enterprise. That's fine to do that if you have people who are a totally moral and ethical people. Now, that's the perfect model. But we have to have laws so we have to have restraint, and we have to have some taxation to enforce the law, and we have to have some taxation to fund our military and fund our security. And as Abe Lincoln said, the Federal Government's job should be to carry the mail, quasi private I will say, carry the mail, defend our shores, do for the people that which they cannot do for themselves, and leave us otherwise alone. That's freedom.

But the other said is servitude in the end, capitulating our freedom for the sense of security that doesn't give the Wall Street much security to speak of. I think it's pretty clear as you've watched this downward spiral go on now, for all of these days since the election, and almost twice as much

percentage drop of the market as you've ever seen in modern history.

The question of freedom vs. the question of dependency, with a socialist approach. And our urge needs to be this, our charge is this, our responsibility is this: We should be setting policies that maximize the average annual productivity of our citizens. If we do that, if 300 million people turn out a little bit more, produce a little bit more, give a little bit more, decide they have the inspiration to earn, save and invest and build, if 300 million people do that even a little bit, if they do it 1 hour a day or 1 hour a week or 1 day a week, it adds to the entire GDP. And when that happens then it adds to the industrial base. It adds to the capital base. It adds to our innovation, and it automatically improves the quality of life, on average, of everybody in this country.

Mrs. BACHMANN. And if the gentleman will yield, that's exactly what has happened in the United States for the last 10 to 15 years. We have seen dramatic increases in productivity that's added real wealth to the United States. Much of that can be attributed to the fact that we had tax cuts on capital gains and dividends. That may sound technical to talk about that, but the fact is, what are the real results that we have seen from that? We've seen real wealth creation enhancement, not just for those at the top of the economic spectrum, those at every level of the economic spectrum, and that's what we want. We want to see everyone succeed. We don't want to be about just punishing one aspect of American economic society. We want all people in the United States to succeed. We do that when we unleash American productivity. We don't do that when we punish the sector that will allow us to have growth and productivity.

Mr. KING of Iowa. And reclaiming my time, that is the other side of the equation. The positive side of the equation is, let people earn all they want to earn, keep all that they want to keep, obviously pay their taxes when they make their purchases. If we do that, we've raised the productivity on average of America. But the policies that are coming from this Congress are diminishing incrementally and sometimes in huge increments the aspirations and the inspirations of the American worker, producer and entrepreneurs. It will lower the average annual productivity of Americans. You'll see the GDP at least proportionally diminish. That means that the hope for our children and grandchildren is less, not more. And we have to be willing to take some risk. We have to be willing to let some people fail.

I've had to stare failure in the eye. I lived for 3½ years with a knot in my stomach that wouldn't go away because I didn't know whether I was going to be able to hold my business together or not during the farm crisis in the early 1980s. My bank closed April

26, Friday afternoon, 3:00, 1985. I'll never forget it. Red tag on the door. Highway Patrol guarding the door. It changed everybody's life that was in there, and it changed mine.

I know what failure looks like. I've watched some of my neighbors, their spirit be eroded because they had to fight the finances.

But the other side of that was, they had the opportunity of the, I don't want to say it's euphoric, but the good, strong, uplifting feeling of having built something that they can take pride in and having achieved and set an example for their children and their children's children, this example of a work ethic and integrity and giving your word and keeping your word and the value of contract, which I've made my living in the contracting business. And almost all of it on low-bid.

And I've worked for many of my neighbors throughout the years, going clear back into the early 1970s. Most of those were verbal contracts, most of those we didn't bother to shake hands. That's not quite our culture to do that. As a matter of fact, if you shake hands with somebody they say oh, I'll come do that work for 5,000 bucks. When will you be there? Next Friday. Okay. That's fine. If you shake hands, he'd be thinking, you must not trust me then; you're going to make me shake hands on it. Our word's our bond. The handshake is almost like a written contract. And I've only had one of those written contracts between my neighbors in all of those years.

But I know the value of a contract. And you've got to keep your word and not break your word.

Mrs. BACHMANN. If the gentleman would yield. Imagine what your business would have been like had a judge been able to come in and open up that contract that you had with a purchaser of your product and of your service, and let's say your margin, your profit was maybe 2 percent or 6 percent. And you have a judge come in and alter those terms, let's say, to 10 percent. What happens to your margin? It's gone. You're not only working for free, you're paying that person to work for them.

That's what we saw happen today on the floor of this body. We saw contracts opened so that any margin that people were making, it's gone. It's gone. And so, what we're doing is we're violating that pillar of American exceptionalism which is the sanctity of the contract, and the pillar of freedom that says that we will keep contracts inviolate, and we will observe the rule of law.

What do people trust in? Why would people make a contract in the future? What business would do that? Because now this Congress has set a standard that says, no longer will your word be your bond.

Mr. KING of Iowa. Reclaiming my time. I'd just give an illustration of how that works. And I've had to make that decision a number of times in my

business life because there are some areas that are quasi-sovereign. And I won't describe them any beyond that. They're quasi-sovereign, which means that there's really not relief to go and make a collection in their jurisdiction. So I've had to go in there and bid work, and I would calculate the materials, expenses, a little margin for profit and the insurance and those things, build that all together, and then I'd have to put a factor in and there's no place for me to go to get relief here except to the very people I'm doing business with. And some of you will know the quasi-sovereign regions I'm talking about. So I had to, and all my competitors had to also factor in a risk factor for what happens if the deal gets changed afterwards. I've done that on Excel spread sheets with numerous bid items and put a multiplier on each one of them that just simply was the number that evaluated the risk factor on whether they would change the deal after the fact because, in that quasi-sovereign region I couldn't count on the sanctity of the contract.

It's real clear to me there's a risk factor that will be factored in to any future mortgages that we have under this cramdown legislation. There will be higher down payments required because that will minimize the risk to the lenders, and there will be higher interest required that will minimize, and that means everybody pays it. Everybody digs in for the down payment, especially for their first home. And also, the higher interest rate that everyone will have to pay.

And meanwhile, we're going to reward people that openly committed fraud or misrepresentation or false pretenses because this Congress refused to accept that language, even though the Judiciary Committee passed that language out 21-3, changed the deal after the fact.

I thought we had a contract in the Judiciary Committee. That contract has been torn asunder. The sanctity of that contract is gone. I guess I shouldn't be surprised if the members of the party and the committee would come to this floor and vote for a cramdown legislation that would tear the contract of the mortgage asunder just as well.

Mrs. BACHMANN. You know, it was just last week that the Wall Street Journal reported the estimate that the premium would be an additional 2 percent on a mortgage. That's what the cost would be if this cramdown legislation goes through. So if someone qualifies for a 6 percent mortgage, now they would be looking at an 8 percent mortgage. What that does is it takes scores of people out of being able to qualify for a mortgage, just adding to the cost. And for what?

Over 92 percent of all Americans are responsible. They're working. They're paying their mortgages on time. And when you look at the trillions and trillions and trillions of dollars that have been thrown at this housing problem,

and you have 92 percent of Americans paying their mortgages on time, when you look at these tens of trillions of dollars now that are being thrown at this, I think we could probably be paying those mortgages off, multiple times, of the people who were in trouble. It is so much money. It is so unfathomable. I think that's why you see the American people running scared right now, because they aren't getting certainty out of Washington, D.C. What they're getting is uncertainty. And we have a completely different message. We have a message meaning fairness. We have a message of hope, where we can turn the economy around. We've done it before. We can do it again. We cut people's capital gains tax, we cut the corporate business tax. We cut their marginal tax.

Why do we do all that? Because we want simplicity and we want fairness for people in the tax code. Everybody should have to pay something. But it needs to be fair.

The SPEAKER pro tempore (Mr. CHILDERS). The time of the gentleman has expired.

Mr. KING of Iowa. Reclaiming the balance of my time and yielding it back to the Speaker, I thank you for your indulgence.

□ 2245

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. ARCURI, from the Committee on Rules, submitted a privileged report (Rept. No. 111-24) on the resolution (H. Res. 218) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DAVIS of Illinois (at the request of Mr. HOYER) for today until 5 p.m.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McDERMOTT) to revise and extend their remarks and include extraneous material:)

Mr. CUMMINGS, for 5 minutes, today.

Ms. WASSERMAN SCHULTZ, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. TOWNS, for 5 minutes, today.

Mr. DEFazio, for 5 minutes, today.

Mr. McDERMOTT, for 5 minutes, today.

Mr. HEINRICH, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

(The following Members (at the request of Mr. POE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. POE of Texas, for 5 minutes, March 12.

Mr. JONES, for 5 minutes, March 12.

Mr. BROWN of Georgia, for 5 minutes, today.

Mr. McCOTTER, for 5 minutes, today.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 520. An act to designate the United States courthouse under construction at 327 South Church Street, Rockford, Illinois, as the "Stanley J. Roszkowski United States Courthouse"; to the Committee on Transportation and Infrastructure.

ADJOURNMENT

Mr. ARCURI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Friday, March 6, 2009, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

778. A letter from the House Democracy Assistance Commission, Chairman, transmitting the Commission's 2008 annual report in accordance with Section 3(c) of House Resolution 24, passed by the United States House of Representatives during the 110th Congress; to the Committee on Foreign Affairs.

779. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 18-21, "Library Kiosk Services Temporary Act of 2009," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Oversight and Government Reform.

780. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 18-20, "Metropolitan Police Department Subpoena Limitation Temporary Amendment Act of 2009," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Oversight and Government Reform.

781. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 18-19, "Disclosure to the United States District Court Temporary Amendment Act of 2009," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Oversight and Government Reform.

782. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 18-22, "Vending Regulation Temporary Act of 2009," pursuant to D.C. Code section 1-233(c)(1); to the Committee on Oversight and Government Reform.

783. A letter from the Secretary, American Battle Monuments Commission, transmitting the Commission's competitive sourcing report for 2008, pursuant to Public Law 108-109; to the Committee on Oversight and Government Reform.

784. A letter from the Secretary, American Battle Monuments Commission, transmitting the Commission's annual report on the Federal Manager's Financial Integrity Act in accordance with Public Law 97-255 and Public Law 100-504; to the Committee on Oversight and Government Reform.

785. A letter from the Acting Special Counsel, Office of Special Counsel, transmitting the Counsel's fiscal year 2008 Performance and Accountability Report; to the Committee on Oversight and Government Reform.

786. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Special Local Regulation: ULHRA Hydroplane Races, Howard Amon Park, Richland, Washington [Docket No. USCG-2008-0376] (RIN: 1625-AA00) received February 26, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MCGOVERN: Committee on Rules. House Resolution 218. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 111-24). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mrs. BONO MACK (for herself, Mr. BARROW, and Mr. BARTON of Texas):

H.R. 1319. A bill to prevent the inadvertent disclosure of information on a computer through the use of certain "peer-to-peer" file sharing software without first providing notice and obtaining consent from the owner or authorized user of the computer; to the Committee on Energy and Commerce.

By Mr. CLAY (for himself and Mr. TOWNS):

H.R. 1320. A bill to amend the Federal Advisory Committee Act to increase the transparency and accountability of Federal advisory committees, and for other purposes; to the Committee on Oversight and Government Reform.

By Ms. ESHOO (for herself, Ms. HARMAN, Ms. WASSERMAN SCHULTZ, Mr. COOPER, Mrs. EMERSON, Mr. CASTLE, and Mr. WELCH):

H.R. 1321. A bill to provide affordable, guaranteed private health coverage that will make Americans healthier and can never be taken away; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Education and Labor, and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TIERNEY (for himself, Mr. GEORGE MILLER of California, and Mr. ANDREWS):

H.R. 1322. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to provide emergency protection for retiree health benefits; to the Committee on Education and Labor.

By Mr. DRLEHAUS (for himself and Mr. TOWNS):

H.R. 1323. A bill to require the Archivist of the United States to promulgate regulations regarding the use of information control designations, and for other purposes; to the Committee on Oversight and Government Reform.

By Ms. WOOLSEY (for herself, Mr. ELLISON, Mr. STARK, Mr. HINCHEY, Mr. RUSH, Mr. MCGOVERN, Mr. GRIJALVA, Mr. SIRE, Mr. PAYNE, Ms. HIRONO, Mr. LOEBSACK, Mr. BISHOP of Georgia, Mr. VAN HOLLEN, Ms. BERKLEY, Mr. FILNER, Mr. CHANDLER, Mr. CONNOLLY of Virginia, Ms. CAPPS, Mr. COHEN, Ms. BALDWIN, Ms. ESHOO, Mr. DOYLE, Mr. ISRAEL, Ms. WASSERMAN SCHULTZ, Mr. GUTIERREZ, Mr. BISHOP of New York, Ms. MOORE of Wisconsin, Mr. McDERMOTT, Ms. SLAUGHTER, Mr. BACA, Mrs. MALONEY, Mr. SARABANES, Mr. KENNEDY, Ms. MCCOLLUM, Mr. CUMMINGS, Mr. CARSON of Indiana, Mr. TIERNEY, Ms. JACKSON-LEE of Texas, Mr. ROTHMAN of New Jersey, Ms. BORDALLO, Mr. RYAN of Ohio, Mr. PALLONE, Mr. WU, Mr. WAXMAN, Mr. KAGEN, Mr. SESTAK, Mr. POLIS of Colorado, Ms. LEE of California, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. COURTNEY, Mrs. LOWEY, Mr. HARE, Mr. BOSWELL, Mr. CONYERS, Mr. JOHNSON of Georgia, Mr. MOORE of Kansas, Mr. BRADY of Pennsylvania, Ms. SUTTON, Mr. HONDA, Ms. SHEA-PORTER, Mr. SMITH of Washington, Mr. FARR, Mr. KUCINICH, Mr. ANDREWS, Ms. CLARKE, Mrs. DAVIS of California, Mr. DAVIS of Illinois, Mr. HINOJOSA, Mr. HOLT, Mr. JACKSON of Illinois, Ms. KAPTUR, Mr. KILDEE, Mr. LEWIS of Georgia, Mr. MORAN of Virginia, Mr. NADLER of New York, Mr. OLVER, Ms. ROYBAL-ALLARD, Ms. SCHAKOWSKY, Mrs. TAUSCHER, Ms. WATSON, Mr. SCOTT of Virginia, Ms. WATERS, Mr. BLUMENAUER, Ms. KILPATRICK of Michigan, Mr. DEFazio, Mr. WEXLER, Mr. CARNEY, Mr. GORDON of Tennessee, Mr. YOUNG of Alaska, and Ms. DEGETTE):

H.R. 1324. A bill to amend the Child Nutrition Act of 1966 to improve the nutrition and health of schoolchildren and protect the Federal investment in the national school lunch and breakfast programs by updating the national school nutrition standards for foods and beverages sold outside of school meals to conform to current nutrition science; to the Committee on Education and Labor.

By Ms. JACKSON-LEE of Texas (for herself, Ms. WATSON, Ms. LEE of California, Ms. KOSMAS, Ms. FUDGE, Ms. CORRINE BROWN of Florida, Ms. KAPTUR, Mr. EDWARDS of Texas, Mr. PASCRELL, Mr. ELLISON, Mr. MEEKS of New York, and Mr. CLEAVER):

H.R. 1325. A bill to require financial literacy counseling for borrowers, and for other purposes; to the Committee on Education and Labor.

By Mr. TOWNS (for himself, Mr. REICHERT, Mr. LANGEVIN, Mr. BARTLETT, Mrs. BONO MACK, Mr. BRALEY of Iowa, Mr. BUTTERFIELD, Mr. CAMPBELL, Mrs. CAPPS, Mr. DOYLE, Mr. DEFazio, Mr. FARR, Mr. ISRAEL, Mr. LOBIONDO, Ms. KAPTUR, Ms. KILPATRICK of Michigan, Mrs. MALONEY, Mr. MASSA, Mr. MOORE of Kansas, Mr. MORAN of Virginia, Mr. SMITH of New Jersey, Mr. STARK, and Ms. WOOLSEY):

H.R. 1326. A bill to prohibit the conducting of invasive research on great apes, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FRANK of Massachusetts (for himself, Mr. BERMAN, Mr. SHERMAN, and Mr. MEEKS of New York):

H.R. 1327. A bill to authorize State and local governments to direct divestiture from, and prevent investment in, companies with investments of \$20,000,000 or more in Iran's energy sector, and for other purposes; to the Committee on Financial Services.

By Mr. BISHOP of New York (for himself, Mr. HINCHEY, and Mrs. MALONEY):

H.R. 1328. A bill to amend the Internal Revenue Code of 1986 to allow an unlimited exclusion from transfer taxes for certain farmland and land of conservation value, and for other purposes; to the Committee on Ways and Means.

By Mr. BLUMENAUER (for himself, Mrs. TAUSCHER, and Mr. LATOURETTE):

H.R. 1329. A bill to amend title 49, United States Code, to support efforts by States and eligible local and regional entities to develop and implement plans to reduce greenhouse gas emissions from the transportation sector, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. BOREN:

H.R. 1330. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, the Internal Revenue Code of 1986, and title 5, United States Code, to require that group and individual health insurance coverage and group health plans and Federal employees health benefit plans provide coverage of colorectal cancer screening; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Education and Labor, and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CAPITO (for herself, Mr. BACHUS, Mrs. BIGGERT, and Mr. SESSIONS):

H.R. 1331. A bill to replace the HOPE for Homeowners Program with a new program developed and implemented by the Secretary of Housing and Urban Development; to the Committee on Financial Services.

By Mr. COSTA (for himself, Mr. PUTNAM, Mr. PETERSON, Mr. DEAL of Georgia, Mr. CARDOZA, Mr. BARTON of Texas, Mr. FARR, Mr. SHIMKUS, Mr. ENGEL, Mr. RADANOVICH, Mr. TERRY, Mr. SALAZAR, Mr. BOSWELL, Ms. HERSETH SANDLIN, Mr. WALDEN, Mr. CUELLAR, Mr. KAGEN, Ms. ROSELEHTINEN, Mr. BURGESS, and Mr. BACA):

H.R. 1332. A bill to amend the Federal Food, Drug, and Cosmetic Act with respect to the safety of the food supply; to the Committee on Energy and Commerce, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GRIJALVA:

H.R. 1333. A bill to amend chapter 40 of title 18, United States Code, to exempt the transportation, shipment, receipt, or importation of explosive materials for delivery to a federally recognized Indian tribe or an agency of such a tribe from various Federal criminal prohibitions relating to explosives; to the Committee on the Judiciary.

By Mr. GUTIERREZ (for himself, Ms. CORRINE BROWN of Florida, Ms. BALDWIN, and Mr. HINCHEY):

H.R. 1334. A bill to provide for livable wages for Federal Government workers and workers hired under Federal contracts; to

the Committee on Oversight and Government Reform, and in addition to the Committee on Education and Labor, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. HALVORSON (for herself, Mr. FILNER, Ms. BORDALLO, Mr. ROSS, Ms. KAPTUR, Mr. CHILDERS, Mr. LATOURETTE, Mr. WALZ, Mr. SABLON, Mr. KISSELL, Mr. NYE, Mr. CONNOLLY of Virginia, Mr. LUJAN, Mr. DELAHUNT, Mr. PIERLUISI, Mr. POLIS of Colorado, Mr. HEINRICH, and Ms. KILROY):

H.R. 1335. A bill to amend title 38, United States Code, to prohibit the Secretary of Veterans Affairs from collecting certain copayments from veterans who are catastrophically disabled; to the Committee on Veterans' Affairs.

By Ms. HERSETH SANDLIN (for herself and Mr. BOOZMAN):

H.R. 1336. A bill to amend title 38, United States Code, to make certain improvements in the basic educational assistance program administered by the Secretary of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LARSON of Connecticut (for himself, Mr. GEORGE MILLER of California, Mr. McDERMOTT, Mr. BLUMENAUER, Mr. HOLT, Mr. WU, and Mr. MORAN of Virginia):

H.R. 1337. A bill to amend the Internal Revenue Code of 1986 to reduce carbon dioxide emissions in the United States domestic energy supply; to the Committee on Ways and Means, and in addition to the Committee on Foreign Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. LEE of California:

H.R. 1338. A bill to amend the Elementary and Secondary Education Act of 1965 to direct the Secretary of Education to make grants to States for assistance in hiring additional school-based mental health and student service providers; to the Committee on Education and Labor.

By Mrs. MCCARTHY of New York (for herself, Mr. TIBERI, Mr. GORDON of Tennessee, Mr. McDERMOTT, Mr. INSLEE, Mr. BARTLETT, Mr. BISHOP of Georgia, Mr. HINCHEY, Mr. ISRAEL, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KENNEDY, Mr. LEWIS of Georgia, Mr. MOORE of Kansas, Mr. MORAN of Virginia, Mr. PASCRELL, Mr. SMITH of New Jersey, Mr. TIERNEY, Mr. VAN HOLLEN, Mr. FILNER, Mr. MCHUGH, Mr. CARSON of Indiana, Ms. SUTTON, Mr. CUMMINGS, Mr. WOLF, Mr. BISHOP of New York, Mr. GENE GREEN of Texas, Ms. HIRONO, Ms. SLAUGHTER, Mr. HOLT, Mr. LINCOLN DIAZ-BALART of Florida, Mr. GRIJALVA, Mr. MCGOVERN, Ms. SCHAKOWSKY, Ms. KAPTUR, Mr. NADLER of New York, Mr. WEXLER, Ms. LEE of California, Mr. SCOTT of Virginia, Mr. PIERLUISI, Ms. BERKLEY, Mrs. EMERSON, Mr. TAYLOR, and Mrs. MALONEY):

H.R. 1339. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to require that

group and individual health insurance coverage and group health plans provide coverage for treatment of a minor child's congenital or developmental deformity or disorder due to trauma, infection, tumor, or disease; to the Committee on Energy and Commerce, and in addition to the Committees on Education and Labor, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GEORGE MILLER of California (for himself and Mr. SENSENBRENNER):

H.R. 1340. A bill to provide for the admission to the United States of certain Tibetans; to the Committee on the Judiciary.

By Mr. MOORE of Kansas (for himself, Mrs. BIGGERT, Mr. DRIEHAUS, and Mr. PAULSEN):

H.R. 1341. A bill to amend the Emergency Economic Stabilization Act of 2008 to provide the Special Inspector General with additional authorities and responsibilities, and for other purposes; to the Committee on Financial Services, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MORAN of Virginia:

H.R. 1342. A bill to amend the Solid Waste Disposal Act to provide for the reduction of greenhouse gases, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. MYRICK:

H.R. 1343. A bill to provide immunity from civil liability to first responders engaged in lawful efforts to prevent acts of terrorism, and for other purposes; to the Committee on the Judiciary.

By Mrs. MYRICK:

H.R. 1344. A bill to amend the Internal Revenue Code of 1986 to extend and modify the homebuyer tax credit; to the Committee on Ways and Means.

By Ms. NORTON:

H.R. 1345. A bill to amend title 5, United States Code, to eliminate the discriminatory treatment of the District of Columbia under the provisions of law commonly referred to as the "Hatch Act"; to the Committee on Oversight and Government Reform.

By Mr. PALLONE (for himself, Mr. WAXMAN, Mrs. CAPPS, Mr. STUPAK, Mr. BISHOP of Georgia, Mr. GRIJALVA, Mr. HINCHEY, Mr. DOYLE, Mr. HIGGINS, Mr. OLVER, Ms. SCHAKOWSKY, Mr. BRALEY of Iowa, Mr. DINGELL, Mr. WEINER, Mr. SARBANES, Ms. SUTTON, Mr. WEXLER, Mr. NADLER of New York, Mr. BACA, Mr. HINOJOSA, Mr. GENE GREEN of Texas, Mr. TERRY, Mr. KUCINICH, Mr. MARKEY of Massachusetts, Ms. ZOE LOFGREN of California, Mr. LIPINSKI, Mr. WU, Ms. DEGETTE, Ms. HIRONO, Mr. DELAHUNT, Mr. SCOTT of Virginia, Ms. WASSERMAN SCHULTZ, Mr. BLUMENAUER, Mr. LINCOLN DIAZ-BALART of Florida, Mr. BRADY of Pennsylvania, Mr. CONNOLLY of Virginia, Mr. MEEKS of New York, Mr. CONYERS, Mr. JOHNSON of Illinois, Mr. ROTHMAN of New Jersey, Ms. CASTOR of Florida, Ms. NORTON, Mr. LYNCH, Mr. BERMAN, Mr. BOSWELL, Mr. SCHIFF, Ms. DELAURO, Mr. LOEBBACH, Mr. STARK, Mr. FILNER, Mr. RUSH, Mrs. MCCARTHY of New York, Mrs. CHRISTENSEN, Mr. MCNERNEY, Ms. BALDWIN, Mr. BUTTERFIELD, Ms. SLAUGHTER, Ms. MATSUI, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. JACKSON-LEE of Texas, Mr. HASTINGS of Florida, Mr. AL GREEN of Texas, Mr. WELCH, Mr.

DAVIS of Alabama, Mr. JOHNSON of Georgia, and Mr. HODES):

H.R. 1346. A bill to amend the Federal Food, Drug, and Cosmetic Act with respect to liability under State and local requirements respecting devices; to the Committee on Energy and Commerce.

By Mr. PASCRELL (for himself, Mr. PLATTS, and Mr. MEEKS of New York):

H.R. 1347. A bill to amend title III of the Public Health Service Act to provide for the establishment and implementation of concussion management guidelines with respect to school-aged children, and for other purposes; to the Committee on Energy and Commerce.

By Mr. PAUL:

H.R. 1348. A bill to require the Board of Governors of the Federal Reserve System to publish information on financial assistance provided to various entities, and for other purposes; to the Committee on Financial Services.

By Mr. PERLMUTTER (for himself and Mr. LUCAS):

H.R. 1349. A bill to establish the Federal Accounting Oversight Board to approve and oversee accounting principles and standards for the purposes of the Federal financial regulatory agencies, and for other purposes; to the Committee on Financial Services.

By Mr. PITTS (for himself, Mr. AKIN, Mr. PENCE, Mr. CANTOR, Mr. LAMBORN, Mr. BARTLETT, Mr. FORTENBERRY, Mr. FRANKS of Arizona, Mr. BURTON of Indiana, Mr. RYAN of Wisconsin, Mr. MANZULLO, Ms. FALLIN, Mr. BRADY of Texas, Mr. BISHOP of Utah, Mr. FLEMING, Mr. NEUGEBAUER, Mr. SHIMKUS, Mr. HENSARLING, Mr. CONAWAY, Mrs. BACHMANN, Mr. KINGSTON, Mr. MCHENRY, Mr. WAMP, Mr. BROWN of South Carolina, and Mr. SMITH of New Jersey):

H.R. 1350. A bill to provide for research on, and services for individuals with, post-abortion depression and psychosis; to the Committee on Energy and Commerce.

By Mr. POMEROY (for himself, Mr. TIBERI, Mr. MEEK of Florida, Mr. KIND, and Ms. JENKINS):

H.R. 1351. A bill to amend the Internal Revenue Code of 1986 to treat computer technology and equipment as eligible higher education expenses for 529 plans, to allow certain individuals a credit against income tax for contributions to 529 plans, and for other purposes; to the Committee on Ways and Means.

By Mr. POMEROY (for himself, Mr. WILSON of Ohio, Mr. TIM MURPHY of Pennsylvania, Mr. TIBERI, and Mr. GUTHRIE):

H.R. 1352. A bill to amend title XVI of the Social Security Act to clarify that the value of certain funeral and burial arrangements are not to be considered available resources under the supplemental security income program; to the Committee on Ways and Means.

By Mr. PUTNAM (for himself and Mr. MARKEY of Massachusetts):

H.R. 1353. A bill to extend the registration and reporting requirements of the Federal securities laws to certain housing-related Government-sponsored enterprises, and for other purposes; to the Committee on Financial Services.

By Mr. REHBERG:

H.R. 1354. A bill to make the National Parks and Federal Recreational Lands Pass available at a discount to certain veterans; to the Committee on Natural Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SESTAK:

H.R. 1355. A bill to amend the National Labor Relations Act to require employers to provide labor organizations with equal access to employees prior to an election regarding representation, to prevent delays in initial collective bargaining, and to strengthen enforcement against intimidation of employees by employers; to the Committee on Education and Labor.

By Mr. SESTAK:

H.R. 1356. A bill to reduce foreclosures of residential mortgages; to the Committee on Financial Services.

By Mr. STUPAK:

H.R. 1357. A bill to authorize the Secretary of the Navy to convey the former Navy Extremely Low Frequency communications project site in Republic, Michigan, to Humboldt Township in Marquette County, Michigan; to the Committee on Armed Services.

By Mr. STUPAK:

H.R. 1358. A bill to reaffirm and clarify the Federal relationship of the Burt Lake Band as a distinct federally recognized Indian Tribe, and for other purposes; to the Committee on Natural Resources.

By Mr. STUPAK (for himself and Mr. SMITH of Texas):

H.R. 1359. A bill to amend the Controlled Substances Act to provide for take-back disposal of controlled substances in certain instances, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. SUTTON:

H.R. 1360. A bill to require an annual report on contract oversight by Federal departments and agencies; to the Committee on Oversight and Government Reform.

By Mr. TOWNS (for himself, Ms. LINDA T. SANCHEZ of California, Mr. POLIS of Colorado, Ms. BORDALLO, Ms. CORRINE BROWN of Florida, Mr. CHILDERS, Mr. CONYERS, Mr. HINCHEY, Ms. HIRONO, Mr. LOEBBACH, Mr. MCDERMOTT, Mr. MILLER of North Carolina, Mrs. NAPOLITANO, Mr. REYES, Ms. ROYBAL-ALLARD, Ms. SHEA-PORTER, Mr. GRIJALVA, and Mr. HONDA):

H.R. 1361. A bill to increase the recruitment and retention of school counselors, school social workers, and school psychologists by low-income local educational agencies; to the Committee on Education and Labor.

By Mr. VAN HOLLEN (for himself, Mr. BURGESS, Mrs. MALONEY, Mr. UPTON, Mr. CARNAHAN, and Mr. KING of New York):

H.R. 1362. A bill to amend the Public Health Service Act to provide for the establishment of permanent national surveillance systems for multiple sclerosis, Parkinson's disease, and other neurological diseases and disorders; to the Committee on Energy and Commerce.

By Mr. WEINER:

H.R. 1363. A bill to establish the GothamCorps program; to the Committee on Education and Labor.

By Mr. WEINER:

H.R. 1364. A bill to amend the Social Security Act and the Public Health Service Act to provide for sex education, substance abuse treatment and prevention, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WEINER:

H.R. 1365. A bill to amend the Truth in Lending Act to require a store in which a consumer may apply to open a credit or charge card account to display a sign, at

each location where the application may be made, containing the same information required by such Act to be prominently placed in a tabular format on the application; to the Committee on Financial Services.

By Mr. WEINER:

H.R. 1366. A bill to protect innocent parties from certain fees imposed by depository institutions for dishonored checks, and for other purposes; to the Committee on Financial Services.

By Mr. WEINER:

H.R. 1367. A bill to strengthen the liability of parent companies for violations of sanctions by foreign entities, and for other purposes; to the Committee on Foreign Affairs.

By Mr. WEINER:

H.R. 1368. A bill to amend the Internal Revenue Code of 1986 to require the Secretary of the Treasury to establish an Auto File Program which provides certain individuals with income tax forms containing pre-filled information; to the Committee on Ways and Means.

By Mr. WEINER:

H.R. 1369. A bill to amend the Internal Revenue Code of 1986 to expand and improve the dependent care tax credit; to the Committee on Ways and Means.

By Mr. WEINER:

H.R. 1370. A bill to improve the protections afforded under Federal law to consumers from contaminated seafood by directing the Secretary of Commerce to establish a program, in coordination with other appropriate Federal agencies, to strengthen activities for ensuring that seafood sold or offered for sale to the public in or affecting interstate commerce is fit for human consumption; to the Committee on Energy and Commerce, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WEINER:

H.R. 1371. A bill to require the establishment of regional consumer price indices to compute cost-of-living increases under the programs for Social Security and Medicare and other medical benefits under titles II and XVIII of the Social Security Act; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and Education and Labor, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KIND (for himself, Mr. OBEY, Mr. SENSENBRENNER, Mr. PETRI, Ms. BALDWIN, Mr. RYAN of Wisconsin, Ms. MOORE of Wisconsin, and Mr. KAGEN):

H. Con. Res. 69. Concurrent resolution honoring the 100th anniversary of Fort McCoy in Sparta, Wisconsin; to the Committee on Armed Services.

By Ms. WOOLSEY (for herself, Ms. BALDWIN, Ms. BERKLEY, Mr. BLUMENAUER, Mr. BRALEY of Iowa, Mr. CAPUANO, Mr. CARDOZA, Ms. CASTOR of Florida, Mrs. CHRISTENSEN, Ms. CLARKE, Mr. CLEAVER, Mr. CONYERS, Mr. CROWLEY, Mrs. DAHLKEMPER, Mr. DAVIS of Illinois, Mrs. DAVIS of California, Mr. DAVIS of Tennessee, Ms. DEGETTE, Ms. DELAURO, Mr. ELLISON, Mr. ETHERIDGE, Mr. FOSTER, Mr. FRANK of Massachusetts, Ms. FUDGE, Ms. GIFFORDS, Mr. AL GREEN of Texas, Mr. GENE GREEN of Texas, Mr. HALL of New York, Mr. HARE, Ms. HARMAN, Ms. JACKSON-LEE of Texas, Ms. KAPTUR, Mr. KILDEE, Ms. KILROY, Ms. KILPATRICK of Michigan, Mr. KLEIN of Florida, Ms. LEE of California, Mr. LEWIS of Georgia, Mr. LOEBSACK, Ms.

ZOE LOFGREN of California, Mrs. LOWEY, Mr. MAFFEI, Ms. MATSUI, Mrs. MCCARTHY of New York, Ms. MCCOLLUM, Mr. MCGOVERN, Mr. MILLER of North Carolina, Mr. MORAN of Virginia, Mrs. NAPOLITANO, Ms. NORTON, Mr. OLVER, Mr. PAYNE, Mr. PRICE of North Carolina, Mr. RANGEL, Ms. RICHARDSON, Mr. RODRIGUEZ, Ms. SCHAKOWSKY, Mr. SCOTT of Georgia, Ms. SHEA-PORTER, Mr. SIREs, Mrs. TAUSCHER, Mr. THOMPSON of California, Ms. VELÁZQUEZ, Ms. WASSERMAN SCHULTZ, Ms. WATERS, Ms. WATSON, Mr. WATT, Mr. WAXMAN, Mr. WILSON of Ohio, Mr. BAIRD, Ms. ROYBAL-ALLARD, Ms. GRANGER, Ms. BORDALLO, Ms. MOORE of Wisconsin, Mr. SHULER, Mr. ENGEL, Mr. BACA, and Ms. CORRINE BROWN of Florida);

H. Res. 211. A resolution supporting the goals and ideals of National Women's History Month; to the Committee on Oversight and Government Reform.

By Mr. FLAKE:

H. Res. 212. A resolution raising a question of the privileges of the House.

By Mr. BACA:

H. Res. 213. A resolution urging the establishment and observation of a legal public holiday in honor of Cesar E. Chavez; to the Committee on Oversight and Government Reform.

By Mr. GUTHRIE (for himself, Mr. ROGERS of Kentucky, Mr. WHITFIELD, Mr. CHANDLER, Mr. DAVIS of Kentucky, and Mr. YARMUTH):

H. Res. 214. A resolution recognizing the efforts of the countless volunteers who helped the Commonwealth of Kentucky recover from the ice storm of January 2009; to the Committee on Oversight and Government Reform.

By Mr. HONDA (for himself, Ms. VELÁZQUEZ, Ms. LEE of California, and Mr. KILDEE):

H. Res. 215. A resolution congratulating the Minority Business Development Agency on its 40th anniversary and commending its achievements in fostering the establishment and growth of minority businesses in the United States; to the Committee on Financial Services, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAUL (for himself, Mr. BARTLETT, Mr. BUCHANAN, Mr. BURTON of Indiana, and Mr. JONES):

H. Res. 216. A resolution amending the Rules of the House of Representatives to ensure that Members have a reasonable amount of time to read legislation that will be voted upon; to the Committee on Rules.

By Mr. YARMUTH (for himself and Mrs. BIGGERT):

H. Res. 217. A resolution recognizing the week of March 15 through March 21, 2009, as "National Safe Place Week"; to the Committee on Education and Labor.

MEMORIALS

Under clause 3 of rule XII,

9. The SPEAKER presented a memorial of the Senate of the Northern Mariana Islands, relative to Senate Resolution No. 16-27 requesting the Honorable Governor Benigno R. Fitial to seek the assistance of the Pacific Council of Federal Agency Affiliates to conduct annual or semi-annual training and other professional development opportunities in key subject areas that will assist the Commonwealth of the Northern Mariana Islands to take full advantage of the many fed-

eral grants that are available; to the Committee on Natural Resources.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. GONZALEZ introduced A bill (H.R. 1372) for the relief of Vicente Beltran Luna; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS TO PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 22: Mr. HOLT, Mr. FRELINGHUYSEN, Mr. WILSON of South Carolina, Mr. TIERNEY, Mr. LOBIONDO, Mr. JOHNSON of Georgia, Mr. LOEBSACK, Mr. THOMPSON of Pennsylvania, Mr. SCHAUER, Mr. KING of New York, and Mr. FARR.

H.R. 24: Mr. GORDON of Tennessee, Mr. FORBES, Mr. BAIRD, Mr. MORAN of Kansas, Mr. TAYLOR, Mr. DOYLE, Mrs. TAUSCHER, Ms. WOOLSEY, Mr. MOLLOHAN, Mr. DELAHUNT, Mr. PASCRELL, and Mr. BUTTERFIELD.

H.R. 31: Mr. SMITH of Texas.

H.R. 74: Mr. MCCOTTER.

H.R. 82: Mr. MCCAUL, Mr. MURTHA, and Mr. BRADY of Pennsylvania.

H.R. 104: Ms. SUTTON, Mr. HOLT, and Mr. MCGOVERN.

H.R. 111: Mr. TONKO, Mr. LOBIONDO, and Mr. ANDREWS.

H.R. 154: Mr. LOEBSACK, Mr. JACKSON of Illinois, and Mr. CARSON of Indiana.

H.R. 209: Mr. CONYERS.

H.R. 211: Mrs. DAVIS of California, Ms. ZOE LOFGREN of California, Mr. CARNEY, Mr. TOWNS, Mr. MACK, Ms. HARMAN, Mr. COOPER, Mr. EHLERS, Mr. BOSWELL, Mr. MCCOTTER, Mr. HINCHEY, Mr. HONDA, Ms. BALDWIN, and Mr. GENE GREEN of Texas.

H.R. 213: Mr. DEAL of Georgia.

H.R. 226: Mr. POLIS of Colorado, Mr. CAO, Mr. PAULSEN, and Mr. LUETKEMEYER.

H.R. 231: Mr. EDWARDS of Texas.

H.R. 272: Mr. GRAVES, Mr. WHITFIELD, Mrs. MYRICK, and Mr. LATHAM.

H.R. 302: Mr. KIRK.

H.R. 305: Mr. LANCE, Mr. GRIJALVA, and Mr. GOODLATTE.

H.R. 327: Mr. WILSON of South Carolina.

H.R. 336: Mr. TONKO.

H.R. 406: Mrs. LOWEY, Mr. SCOTT of Virginia, Ms. KOSMAS, Mrs. TAUSCHER, Ms. WASSERMAN SCHULTZ, Ms. DEGETTE, Mr. LANGEVIN, Mr. CAO, and Mr. BUYER.

H.R. 430: Mr. ROONEY.

H.R. 482: Mr. ROONEY.

H.R. 483: Mr. MCCOTTER.

H.R. 484: Mr. BARROW, Mr. WAMP, Mr. LOEBSACK, and Mr. PAULSEN.

H.R. 500: Mr. KAGEN.

H.R. 503: Ms. LEE of California, Mr. MOORE of Kansas, Mr. MEEKS of New York, Mrs. TAUSCHER, Ms. KILPATRICK of Michigan, and Mr. BLUMENAUER.

H.R. 564: Mr. STARK, Mr. WU, and Mr. WEINER.

H.R. 569: Mr. BRADY of Pennsylvania, Mr. ORTIZ, Mr. MASSA, Mr. SESTAK, and Mrs. TAUSCHER.

H.R. 574: Mr. ROGERS of Alabama, Mr. MCGOVERN, Mr. DOYLE, Mr. AKIN, Mr. BISHOP of Georgia, Mr. PIERLUISI, Mr. MOORE of Kansas, Mr. RYAN of Ohio, Mr. BARTLETT, Mrs. EMERSON, Mr. BOSWELL, and Mr. SESTAK.

H.R. 577: Mr. REBERG, Mr. LATHAM, Ms. DEGETTE, Mr. CAPUANO, and Mr. TIERNEY.

H.R. 591: Mr. COHEN.

H.R. 616: Ms. KILROY, Mr. BOOZMAN, Mr. MICHAUD, Mr. GOHMERT, Mr. WITTMAN, and Mr. DAVIS of Tennessee.

H.R. 618: Ms. DEGETTE.
H.R. 626: Mrs. MCCARTHY of New York and Mr. CONYERS.
H.R. 634: Mr. CANTOR.
H.R. 636: Mr. CALVERT.
H.R. 676: Mr. JACKSON of Illinois and Mr. RYAN of Ohio.
H.R. 684: Mr. WEXLER and Mr. CARNEY.
H.R. 745: Mr. TIBERI.
H.R. 758: Ms. KAPTUR.
H.R. 800: Mr. DINGELL.
H.R. 801: Mrs. MALONEY.
H.R. 804: Mr. GRIJALVA.
H.R. 815: Mr. GORDON of Tennessee and Mr. SERRANO.
H.R. 816: Mr. BARROW, Mr. LARSEN of Washington, Mr. BOUSTANY, Mr. HODES, and Ms. SUTTON.
H.R. 836: Mr. CLAY, Mr. ALTMIRE, Mr. WITTMAN, Mr. HASTINGS of Washington, Mr. LUETKEMEYER, Mr. SIMPSON, Mr. BARRETT of South Carolina, Mr. GORDON of Tennessee, Mr. LARSON of Connecticut, Mr. UPTON, Mr. BILBRAY, Mr. SENSENBRENNER, Mr. COURTNEY, Mr. CAPUANO, Mr. KILDEE, and Mr. HOLT.
H.R. 847: Mr. BISHOP of Georgia, Mr. DOYLE, and Mr. DENT.
H.R. 856: Mr. HUNTER.
H.R. 870: Ms. KAPTUR.
H.R. 872: Mr. DENT, Mr. PERLMUTTER, Mr. GENE GREEN of Texas, Mr. LANGEVIN, Mrs. CAPPS, Ms. BALDWIN, Mr. KIRK, Mr. CARNAHAN, Mrs. BONO MACK, and Mr. UPTON.
H.R. 873: Mr. DENT, Mr. PERLMUTTER, Mr. GENE GREEN of Texas, Mr. LANGEVIN, Mrs. CAPPS, Ms. BALDWIN, Mr. KIRK, Mr. CARNAHAN, Mrs. BONO MACK, and Mr. UPTON.
H.R. 877: Mr. BLUNT.
H.R. 878: Mr. BARTLETT and Mr. HOEKSTRA.
H.R. 884: Ms. FOXX.
H.R. 885: Mr. RYAN of Ohio, Mr. CAPUANO, Mr. BOCCIERI, Mr. STUPAK, Mr. WEXLER, and Mr. PASCRELL.
H.R. 897: Mrs. McMORRIS RODGERS.
H.R. 904: Mr. PLATTS.
H.R. 909: Ms. ROS-LEHTINEN.
H.R. 913: Mr. WELCH and Mr. BISHOP of Georgia.
H.R. 916: Mr. PRICE of North Carolina.
H.R. 927: Mr. THOMPSON of California and Mr. THOMPSON of Mississippi.
H.R. 930: Mr. LINCOLN DIAZ-BALART of Florida and Mr. CAPUANO.
H.R. 933: Mr. CANTOR.
H.R. 936: Mr. CONNOLLY of Virginia, Ms. HARMAN, Ms. CORRINE BROWN of Florida, Ms. JACKSON-LEE of Texas, Mr. TAYLOR, Mrs. MALONEY, Mr. GORDON of Tennessee, Mr. WEXLER, Ms. KAPTUR, Mr. SESTAK, and Mr. SALAZAR.
H.R. 980: Mr. BOSWELL, Mr. FARR, Mr. McDERMOTT, Mr. PALLONE, Mr. FALEOMAVAEGA, Ms. BALDWIN, and Mr. DELAHUNT.
H.R. 988: Mr. OBERSTAR, Mr. PASCRELL, Mr. HIGGINS, Ms. MCCOLLUM, Mr. McHUGH, Mr. KLEIN of Florida, Ms. ROS-LEHTINEN, Ms. ZOE LOFGREN of California, and Mr. HINCHEY.
H.R. 997: Mr. MCINTYRE.
H.R. 1006: Mr. KLINE of Minnesota.
H.R. 1020: Mr. ARCURI, Mr. WEXLER, and Mr. HASTINGS of Florida.
H.R. 1021: Mr. SESSIONS.
H.R. 1023: Mrs. BACHMANN.
H.R. 1050: Mr. FRANKS of Arizona, Mr. BROWN of South Carolina, Mr. LAMBORN, Mr. INGLIS, Ms. FOXX, Mr. ROGERS of Alabama, Mr. DAVIS of Kentucky, Mr. CHILDERS, Mr. PITTS, Mr. SMITH of New Jersey, Mr. CAO, Ms. FALLIN, Mr. MANZULLO, Mr. McHENRY, Mr. KINGSTON, Mr. OLSON, Mr. HUNTER, Mrs. BACHMANN, Mr. POSEY, Mr. HENSARLING, Mr. CONAWAY, Mr. SHADEGG, Mr. BURTON of Indiana, Mr. KLINE of Minnesota, Mr. GOHMERT,

Mr. PENCE, Mr. JORDAN of Ohio, Mr. BISHOP of Utah, and Mr. NEUGEBAUER.
H.R. 1059: Mr. ROONEY.
H.R. 1066: Mr. MITCHELL, Mr. PLATTS, and Mr. GRIJALVA.
H.R. 1075: Mr. CAO, Mr. TAYLOR, and Ms. KOSMAS.
H.R. 1076: Mr. GALLEGLY and Mr. FRANKS of Arizona.
H.R. 1080: Mr. GRIJALVA.
H.R. 1081: Mr. ROSS and Mr. MCINTYRE.
H.R. 1132: Mr. WESTMORELAND, Mr. JONES, Mrs. MALONEY, Mr. HOEKSTRA, Mr. MICHAUD, Mr. FILNER, Mr. OLVER, Mr. BOOZMAN, Mr. LUCAS, Mr. LOBIONDO, Mr. BROWN of South Carolina, and Mr. WHITFIELD.
H.R. 1134: Mr. LOEBBACH.
H.R. 1136: Mr. PETERSON, Mr. HERGER, Mr. OLVER, Mr. SCHOCK, Mr. LINCOLN DIAZ-BALART of Florida, and Mr. ROGERS of Michigan.
H.R. 1142: Ms. KAPTUR, Mr. MCGOVERN, Mr. TIERNEY, Mr. SMITH of New Jersey, Mr. WOLF, and Mr. BACHUS.
H.R. 1151: Mr. HONDA.
H.R. 1152: Mr. MORAN of Virginia and Mr. HONDA.
H.R. 1153: Mr. MORAN of Virginia, Mr. HONDA, and Mr. SESTAK.
H.R. 1154: Mr. MORAN of Virginia, Mr. HONDA, and Mr. SESTAK.
H.R. 1161: Mr. SPACE, Mr. SESTAK, and Ms. ROYBAL-ALLARD.
H.R. 1165: Mr. CRENSHAW.
H.R. 1166: Mr. SENSENBRENNER.
H.R. 1173: Mr. SENSENBRENNER.
H.R. 1189: Mr. WOLF.
H.R. 1194: Mr. WITTMAN, Mr. MOORE of Kansas, Mr. MILLER of North Carolina, Mr. ALTMIRE, Mr. OLVER, Mr. DAVIS of Alabama, Ms. ZOE LOFGREN of California, Mr. MCCOTTER, Mr. COHEN, Mr. COBLE, Mr. ADLER of New Jersey, and Mr. LARSON of Connecticut.
H.R. 1195: Mr. MCGOVERN, Mr. SKELTON, and Mr. MURPHY of Connecticut.
H.R. 1204: Mr. McMAHON.
H.R. 1207: Mr. GARRETT of New Jersey.
H.R. 1209: Mr. CALVERT.
H.R. 1210: Mr. LATHAM, Ms. SHEA-PORTER, Mr. ACKERMAN, Mr. GRAVES, and Ms. KAPTUR.
H.R. 1240: Mr. WELCH.
H.R. 1254: Mr. TOWNS, Mr. DRIEHAUS, and Ms. NORTON.
H.R. 1255: Mr. CAPUANO and Mr. WOLF.
H.R. 1260: Mr. SIMPSON.
H.R. 1261: Mr. BISHOP of Georgia and Mr. STEARNS.
H.R. 1263: Ms. NORTON.
H.R. 1265: Mr. DELAHUNT, Ms. HIRONO, and Mr. AL GREEN of Texas.
H.R. 1276: Mr. MORAN of Virginia and Mr. TAYLOR.
H.R. 1277: Mr. CANTOR, Mr. PENCE, Mr. MILLER of Florida, Mr. MCCAUL, Mr. KING of Iowa, Mr. WESTMORELAND, Mr. WILSON of South Carolina, Mr. SESSIONS, Mrs. BACHMANN, Mr. HENSARLING, Mr. BROUN of Georgia, Mr. FRANKS of Arizona, Mr. KLINE of Minnesota, Mr. GOHMERT, Mr. CONAWAY, Mr. BURTON of Indiana, Mr. HUNTER, Mr. SHADEGG, Mr. KINGSTON, Mr. McHENRY, Ms. FALLIN, Mr. BROWN of South Carolina, Mr. COFFMAN of Colorado, Mr. BISHOP of Utah, and Mr. LAMBORN.
H.R. 1283: Ms. KILPATRICK of Michigan and Ms. KILROY.
H.R. 1285: Mr. LINCOLN DIAZ-BALART of Florida.
H.R. 1295: Mr. BROWN of South Carolina, Mr. DREIER, Mr. WITTMAN, Mr. HELLER, Mr. KIRK, and Mr. LATHAM.
H.R. 1296: Mr. BACA, Mr. BECERRA, Mr. BISHOP of Georgia, Mr. BRADY of Pennsyl-

vania, Ms. CORRINE BROWN of Florida, Mr. CARDOZA, Mr. CARSON of Indiana, Mr. CONYERS, Mr. CUELLAR, Mr. CUMMINGS, Mr. DAVIS of Alabama, Mrs. DAVIS of California, Ms. EDWARDS of Maryland, Mr. ETHERIDGE, Mr. FATTAH, Ms. FUDGE, Mr. GONZALEZ, Mr. AL GREEN of Texas, Mr. HASTINGS of Florida, Mr. HINCHEY, Ms. HIRONO, Mr. HODES, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JOHNSON of Georgia, Ms. KILPATRICK of Michigan, Mr. LUJAN, Mr. MEEKS of New York, Mr. MILLER of North Carolina, Mr. PIERLUISI, Mr. RANGEL, Mr. REYES, Ms. RICHARDSON, Ms. LINDA T. SANCHEZ of California, Mr. SCOTT of Virginia, Mr. SPACE, Mr. THOMPSON of Mississippi, Ms. WATERS, Ms. WATSON, Mr. WATT, Mr. CAPUANO, and Mr. INSLEE.
H.R. 1317: Mr. KISSELL, Mr. McHENRY, and Mr. PLATTS.
H.J. Res. 1: Ms. GINNY BROWN-WAITE of Florida, Mr. BUYER, Mr. COFFMAN of Colorado, Mrs. EMERSON, Mr. LOBIONDO, Mr. OLSON, and Mr. TURNER.
H.J. Res. 8: Mr. SIMPSON.
H.J. Res. 21: Ms. FOXX.
H.J. Res. 26: Mr. BISHOP of New York and Mr. WOLF.
H. Con. Res. 28: Mr. SCHIFF, Mr. SIREN, Ms. MCCOLLUM, Ms. WOOLSEY, Ms. SCHAKOWSKY, Mr. BARTLETT, Ms. LORETTA SANCHEZ of California, Mr. MASSA, Mr. McDERMOTT, Mrs. MYRICK, Ms. DELAURO, Ms. JACKSON-LEE of Texas, Mr. STARK, and Mr. VAN HOLLEN.
H. Con. Res. 55: Mr. HALL of Texas, Mr. BONNER, Mr. CONAWAY, Mr. HONDA, Mr. MCGOVERN, Mr. SHUSTER, Mr. CAPUANO, Mrs. NAPOLITANO, and Mr. MARIO DIAZ-BALART of Florida.
H. Con. Res. 60: Mr. LINCOLN DIAZ-BALART of Florida, Mr. MCGOVERN, and Mr. WOLF.
H. Con. Res. 63: Ms. WOOLSEY.
H. Res. 64: Mr. SAM JOHNSON of Texas, Mr. SMITH of Texas, Mr. HENSARLING, Mr. MCCAUL, Mr. SESSIONS, Mr. CULBERSON, Mr. CARTER, and Mr. CONAWAY.
H. Res. 65: Mr. BISHOP of Georgia.
H. Res. 81: Mr. CHANDLER.
H. Res. 125: Mr. KENNEDY, Mr. BACHUS, and Ms. PINGREE of Maine.
H. Res. 130: Mr. TOWNS, Mr. PLATTS, and Mr. WELCH.
H. Res. 146: Mr. SESTAK.
H. Res. 152: Mr. MATHESON, Mr. MELANCON, Mr. CARDOZA, and Mr. CROWLEY.
H. Res. 156: Mr. PITTS.
H. Res. 166: Mr. MORAN of Kansas, Mr. WILSON of South Carolina, Mr. CONYERS, Mr. FRANKS of Arizona, Mr. BOREN, Mr. WESTMORELAND, Ms. BORDALLO, Mr. BOOZMAN, and Mr. BONNER.
H. Res. 170: Mr. LARSEN of Washington, Mr. BAIRD, Mr. HASTINGS of Washington, Mr. SMITH of Washington, Mr. SNYDER, Mr. THOMPSON of California, Mr. GEORGE MILLER of California, Mr. FILNER, Mr. CAPUANO, Mr. LIPINSKI, Ms. HIRONO, Mr. SHULER, Mr. ARCURI, Mr. CARNEY, Mr. TAYLOR, Mr. HALL of New York, Mr. ORTIZ, Mr. OBERSTAR, Mr. WELCH, Mr. BERRY, Mr. ROSS, and Mrs. NAPOLITANO.
H. Res. 173: Mr. MASSA.
H. Res. 175: Mr. PASCRELL, Mr. McNERNEY, Mr. CAPUANO, and Ms. PINGREE of Maine.
H. Res. 178: Mrs. MALONEY and Mr. FRANK of Massachusetts.
H. Res. 182: Mr. MEEKS of New York.
H. Res. 194: Ms. CLARKE, Ms. DEGETTE, Mr. McDERMOTT, Ms. SHEA-PORTER, Ms. SLAUGHTER, Ms. MOORE of Wisconsin, Ms. WOOLSEY, Mr. STARK, Mr. KENNEDY, Ms. VELÁZQUEZ, and Mrs. BIGGERT.
H. Res. 208: Mr. BUYER.
H. Res. 209: Mr. SPACE.